



Memorandum for the

Slovenian Presidency



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BEUC, the European Consumers' Organisation, is the umbrella organisation of 41 independent national consumer organisations from 30 European countries, including most of the new member states. Our Slovenian member is Zveza Potrošnikov Slovenije - ZPS.

As the new Director General, I am pleased to present you with BEUC's Memorandum for the Slovenian Presidency.

We hope that the Slovenian government will place consumer policy high on the European agenda: The Spring European Council will adopt Conclusions on the Commission's New Internal Market Strategy, which should stress the need to give priority to the rights and welfare of EU consumers.

Energy policy will be a priority for the Slovenian Presidency. BEUC calls on Member States to strengthen the "Energy Consumer's Charter" and to make it part of the binding legislation. In relation to the upcoming review of the Toy Safety Directive, BEUC asks the Presidency to give very high priority to this issue and to try to ensure that the legislation will include tougher provisions on chemicals in toys. The Internal Market for Goods Package might be finalised under the Slovenian Presidency. BEUC underlines that the package should bring about a single coherent and effective system of enforcement and market surveillance for the safety of all consumer products.

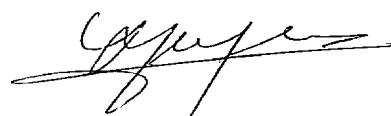
Regarding food and nutrition policy, the Slovenian Presidency will launch negotiations on the revision of the food and nutrition labelling rules. BEUC insists that mandatory simplified front-of-pack nutrition information is key for consumers to make the right choices.

We finally call on the Presidency to encourage the Commission to come forward with a legislative proposal for a European group action system as soon as possible.

Should you require more details, please do not hesitate to get in touch or consult our webpage at: www.beuc.eu, from which you can also download an electronic copy of this memorandum.

We wish Slovenia a very successful Presidency.

Yours sincerely,



Monique Goyens
Director General



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Priority issues

Revision of the consumer law acquis

The Commission published in February 2007 a Green Paper on the Review of the Consumer Law Acquis - eight important European measures dealing with consumer rights. The results of this consultation were presented by the Commission in October 2007 and a proposal for a horizontal piece of legislation which might include sectoral directives is expected to be brought forward in the second half of 2008. In parallel the Commission already launched the review of one sectoral directive namely the time-share Directive, which is currently pending in first reading of the co-decision procedure.

This review of consumer law must focus on the essentials: the commitment to a high level of consumer protection within the European Union effectively implemented and properly enforced. We oppose the introduction of a general mutual recognition principle or "country of origin" principle in the field of consumer protection legislation and in particular in consumer contract law. We also oppose a general, dogmatic or doctrinaire change to full harmonisation. This must be assessed on a case by case basis and, if at all a shift to full harmonisation seems justified, certain safeguards must be maintained. If, as is envisaged, a horizontal instrument called the "Framework directive on consumer contractual rights" covering a number of common elements is proposed, it should not focus on the level of harmonisation but rather on what it will add to the substantial deficits of the existing acquis. We regret that the Commission decided not to tackle questions related to new technical developments and changed market conditions e.g. in the digital world, but to deal with these aspects of the consumer law acquis revision - if at all - only in a second step, of which the time schedule still needs to be defined.

We urge the Slovenian Presidency to ensure that the follow-up initiatives to the Commission's Green Paper do not lead to lowering the level of consumer protection or to a standstill in consumer policy. These initiatives must provide a high level of consumer protection across the European Union and the necessary flexibility to adapt to changing conditions in the market.



Collective consumer redress

The Commission's Consumer Policy Strategy 2007-2013 expressly mentions the possibility of an initiative on collective redress at EU level. We strongly welcome such an initiative. It is a recurring problem across Member States that many consumers suffer from the same or similar damages caused by the same or similar companies. Twelve Member States already have national mechanisms in place which enable consumers to collectively pursue sellers or service providers. These mechanisms differ in many aspects, and are not always useful for consumers. Collective actions, tailored to European conditions, would improve the functioning of the internal market; Consumers would also have greater confidence to shop across borders if they have effective means to resolve their disputes.

Following the successful Portuguese Presidency conference on collective redress for consumers in November 2007, we call on the Slovenian Presidency to start a discussion on this issue at ministerial level and to encourage the Commission to come forward with a legislative proposal for a European group action as soon as possible.



Consumer rights in the digital environment

Digital technologies and the Internet have provided new ways to advertise, purchase, and receive goods, by electronic commerce, mobile commerce, and television commerce. Audiovisual entertainment as well as news, information, culture and education are coming to consumers increasingly in digital formats. In the new digital environment, often governed by licensing terms, consumers cannot be adequately protected by the existing laws governing the sale or supply of goods and services. In 2005 BEUC and its member organisations launched a campaign to raise awareness about the lack of clearly defined consumer rights in the digital environment. We very much welcomed the Parliament's report on consumer confidence in the digital environment adopted in June 2007 and the German charter on consumer sovereignty in the digital world, which was issued in March 2007 and presented to the Council under the German Presidency in May 2007.

As intellectual property and data protection laws are increasingly relevant for consumer transactions, this legal framework must also provide consumers with the necessary rights to access and to use digital content as well as protect their right to privacy. EU decision makers must ensure that a balanced European policy and legislation develop that will encourage new means of exposure and distribution of digital content, while guaranteeing remuneration to artists, creators and performers and stimulating consumers' confidence in these new services.



The Commission is currently preparing a set of guidelines for consumers when buying and using copyrighted work, yet we are worried that these guidelines might only analyse and interpret existing legislation, instead of looking into the future and bringing about the necessary improvements.

BEUC therefore calls for the adoption of an EU Charter setting out consumers' rights in the digital world and providing certainty as to what they can do with their digital hardware, software and content. Such a charter would be a basic contribution also to the current review of the consumer law acquis (see above).

We call on the Slovenian Presidency to launch a discussion at ministerial level, based on the German charter and the Parliament's report on "Consumer Confidence in the Digital Environment", on the issue of consumers' rights in relation to digital content, such as licensing agreements, access to information, a fair copyright regime, affordability of services, fair technology and interoperability.



Product and toy safety

A series of industry recalls of unsafe toys in August and September 2007, gave rise to wide public concerns about the safety of toys and of other products imported from China or elsewhere into the EU. As a response to these incidents, the Commission engaged in a two month stocktaking exercise to review the EC product and toy safety legislation, including enforcement. The Commission's conclusions, presented in November 2007 were that the current legislative framework "when properly applied" is capable of ensuring a high level of consumer protection. The stocktaking contains a number of proposals for further action to improve consumer product safety and also refers to the revision of sector-specific legislation, such as a revision of the toy safety directive, expected to be proposed by the Commission before the end of 2007.

The Internal Market Package for Goods contains proposals for a New Legislative Framework for the marketing of products, and is currently before the Parliament and Council. Depending on the final outcome, this may help to bring a more coherent approach at national and EU level to the enforcement and market surveillance arrangements for the safety of consumer products generally - or it may not. The greatest danger is that we will have two different enforcement and surveillance systems, one for "harmonized" consumer products (under the New Legislative Framework) and another for "unharmonised" consumer products (under the General Product Safety Directive).

We call on the Slovenian Presidency to ensure that the final decisions on the Internal Market Package will put in place a single coherent and effective system of enforcement and market surveillance for the safety of all consumer products.

We await the Commission's proposal for an amended Toy Safety Directive which we hope will include, inter alia, new and tougher provisions on chemicals in toys. We ask the Slovenian Presidency to treat this proposal as a matter of urgency and to give it a very high priority.



Energy policy

Energy policy is a key priority for the Commission to combat climate change, and develop resource efficiency, sustainability, competitiveness and security of energy supply. The Commission adopted an Action Plan for energy efficiency in October 2006, to be implemented over the next six years. Renewable energy and energy efficiency are two important issues to ensure a sustainable energy policy, to which consumers can contribute.

In July 2007, the Commission started a consultation on possible elements for a future European Charter on the Rights of Energy Consumers. The aim is to inform citizens about their current rights in the field of energy and to list 'complementary' provisions. BEUC and its member organisations took part in this consultation. The Charter's legal status is not clear and it needs to be improved in terms of content. We consider that consumers need enforceable rights, which can only be provided by legally binding measures.

At the same time, consumer rights are only a marginal element of the Commission's proposals for the reform of the energy markets directives, which the Commission presented in September 2007. The proposals focus on stimulating cooperation between regulators and on separating energy transmission from production and distribution in terms of ownership. The main consumer provisions are that data on consumption should be made available in due time and switching between energy suppliers should become easier.

We very much welcome that the Slovenian Presidency plans an event on energy markets and consumers in Spring 2008. This event should provide for an open and broad debate on consumers' experience with the liberalisation of energy markets so far, and on what measures really need to be taken by EU decision makers to provide for an energy market in which competition plays to the benefit of consumers, who are empowered to make the right choices.



Simplified nutrition labelling

The rise in obesity and diet related diseases in Europe has huge human societal and economic costs and requires a strong policy response. It must be easier for citizens to make healthy and well-informed choices regarding nutrition. The availability of correct information e.g. through labelling is a key factor that may encourage or hinder appropriate nutrition choices.

Consumers therefore need simple and understandable on-pack labeling if they are to make the most appropriate nutritional choices - they cannot rely on advertising for nutritional advice. What is needed is simplified front of pack labeling covering a range of key ingredients and including an interpretive element (signposting) that consumers can quickly and easily understand. A Guideline Daily Amount-based system is absolutely not sufficient.

We ask the Slovenian Presidency to focus the discussion on nutrition policy on the factors which influence consumers' choices such as information on nutrients and to encourage the Commission to include mandatory provisions on simplified nutrition labelling in its proposal for the revision of the food and nutrition labelling directives.



Food marketing and advertising to children

14 million children across Europe are overweight or obese. Studies by BEUC member organisations have shown that the majority of advertising for food products (and drinks) aimed at children are for products high in fat, sugar or salt. Other studies have shown that children are influenced by advertising and have a strong say on household purchases.

The link between the number of overweight or obese children and the disproportionate amount of advertising of products high in fat sugar and salt is widely acknowledged. At the WHO Istanbul obesity conference in November 2006, the EU Health Ministers have unanimously signed the European Charter on Counteracting Obesity which calls expressly for the introduction of legislative restrictions on advertising to children. Likewise the UK regulatory authority OFCOM introduced a ban on food advertising to children which is in force since April 2007. In spite of this evolution and the commitment of the EU Health Ministers, the revision of the Television Without Frontiers Directive, which addresses television advertising rules, will not provide any binding restrictions on food advertising to children.

BEUC has been campaigning for years for the introduction of restrictions on food advertising to children through a ban on TV advertising of foods and drinks high in fat, sugar or salt before 9pm, based on nutrient profiles. As children are easily influenced, in

particular when fictional or real characters and celebrities are used to promote products, the use of such characters in advertising should therefore be restricted too. Such measures should not just apply to programmes that are specifically targeted to children but to those that are likely to be watched by children, as many children watch TV outside so-called "children's hours".

We ask the Slovenian Presidency to work towards bringing the issue of food marketing and advertising to children back on the EU agenda and to look at the reasons for the incoherence between the EU Health Ministers' commitment at the WHO 2006 Istanbul obesity conference and the fact that until now the Council, but also Parliament and Commission show no political will to address this issue appropriately.



Health policy and patient rights

Health policy in the EU needs a coherent, collaborative and ambitious strategy, while fully respecting the division of competences in this area. BEUC welcomes that the Commission's Health Strategy adopted in October 2007 envisages a comprehensive approach to health, encompassing policies as diverse as the internal market, agriculture, environment, education and social affairs and provides for a systematic application of the health impact assessment tool. Decision makers should secure health policy objectives, which include protecting public health, ensuring access to safe, effective affordable and appropriate health services and medicines, improve quality of care, and ensure equity and efficiency. In particular, pharmaceutical policies should be fully integrated in health policies and therefore, for a more coherent policy making, competence on medicines should be moved within the Commission from DG ENTERPRISE to DG SANCO.

Patient rights, including patient information, are a key element of health policy. Consumers need clear statements on what they may reasonably expect in terms of information, access to care and carers, quality of care, access to records, redress, reimbursement etc. They also have a right to independent and impartial information about pharmaceuticals and non-drug therapies. In this context we oppose efforts to establish industry-organised projects to provide information to patients because there is too much room for conflicts of interest in such projects. Nowadays, patient rights have an increasing cross-border aspect, arising from patient mobility and the provision of services across borders. Many Member States have laws or charters securing the rights of patients, but there is no common standard throughout Europe as a whole. There is great uncertainty regarding patient rights in cross-border cases and great difficulty in ensuring that any such rights are respected. An EU-wide patients charter would help raise the standards and serve as a guide to consumers of health services.

We ask the Slovenian Presidency to begin work on developing a common statement on patient rights across the EU.

Indoor air quality

The quality of the indoor air is vital because more than 80% of our time can be spent indoors, at home, at school or at work. Indoor air is sometimes five times more polluted than outdoor air. Indoors we are exposed to many different chemicals from various sources and the cumulative effects of this multiple exposure give cause for concern. The Commission's Consultative Forum on Environment and Health, of which BEUC is a member, has set up a technical experts group on indoor air quality. The Scientific Committee on Health and Environmental Risks (SCHER) issued its long delayed final opinion on indoor air pollution in June 2007. The opinion suggests that the health risk assessment of the pollutants in indoor environments should be done according to the standard principles of chemical risk assessment in the EU (assessing both inherent properties and exposure), which means that the assessment should be evidence based. It recommends addressing vulnerable groups, including children, on a case-by-case basis. A few years ago, the Parliament has called on the Commission to draft a Green Paper dealing specifically with domestic pollution.

The adoption of the REACH Regulation should provide an improvement of the risk assessment of chemicals, yet it will take many years before sufficient data will be available on the intrinsic properties of many of the chemical substances present or emitted by consumer products indoors. Consumers need more information about indoor air pollution. They need to know what they can do in their purchasing and living arrangements to reduce the problem. They also need a fast implementation of a strong and effective REACH programme. The SCHER report falls short of what is needed: it does not suggest a precautionary approach by e.g. proposing the application of maximum emissions levels for emission sources, such as consumer products. Furthermore, in relation to vulnerable population groups it only recommends a health risk assessment based on case-by case approach. We consider that this matter would need to be addressed in a more systematic and prioritised way.

We ask the Slovenian Presidency to put an emphasis on this subject matter, which is essential for the health and safety of European consumers. It should launch a debate on the results of the final SCHER report at a ministerial level and urge the Commission to issue a Green Paper on indoor air quality.



Retail financial services

Consumers have been waiting for far too long for an effective and efficient single payment area that offers financial retail services which are reasonably cheap, secure and convenient. The recently finalised Directive on Payment Services in the Internal Market should bring a number of improvements but much depends on how precisely it will be implemented. The proposal for a revised consumer credit directive, which is currently before the Parliament in second reading of the co-decision procedure and may be finalised under the Slovenian Presidency.

BEUC considers that further integration of retail financial services could benefit consumers as it would lead to more competition and bring down prices. However, market integration or liberalisation of retail financial services will not automatically lead to improved consumers welfare. Increased choice for consumers is not enough, because of the high degree of asymmetry of information and (technical) knowledge between the consumer and the financial service provider. What really matters from the consumers' perspective is the quality of choice, not the sheer quantity of products available on the market. Consumers need impartial, high quality advice - the best advice possible.

Access to financial services is also becoming increasingly important, and even more since the enlargement. Lack of access to basic financial services can lead to serious difficulties for consumers, e.g. problems with taking part in economic and social life as it might even be difficult to get a job if one does not have a bank account.

BEUC has welcomed the consultation on the Green Paper on Retail financial services as an opportunity to stress consumer needs in this field. In the Commission's Internal Market Review presented in November 2007, the Commission announces to make proposals to further integrate retail financial services markets, including a Whitepaper on mortgage credit and a Communication on financial education.

We call on the Slovenian Presidency to monitor the situation and ensure that consumers can actually benefit from the Directive on Payment services. In relation to negotiations with the Parliament on the directive on consumer credit, we would like to underline that any further dilution or weakening of the Council's common position must be avoided.



Legal issues

Review of the consumer law acquis

BACKGROUND

In February 2007 the Commission published a Green Paper which considered possible approaches for a revision of the consumer law acquis, such as a shift to full harmonisation and the need for a horizontal framework instrument. The Green Paper evaluated to what extent the eight directives concerned (on times-share, package travel, price indication, distance selling, door-step-selling, unfair contract terms, product guarantees and injunctions), as a whole and individually, have in practice met the Commission's consumer protection and internal market goals. It also examined whether any significant gaps, inconsistencies or overlaps exist between them, whether their scope and pre-contractual information requirements are adequate. The consultation on the Green Paper, in which BEUC has participated, ended in May 2007. The Commission published its results in October 2007 and is now conducting an impact assessment on the way forward. After this first step, the Commission already concluded that it will look into digital content issues separately and not deal with this within the horizontal instrument which is expected to revise the acquis. This proposal for a horizontal instrument called "Framework directive on consumer contractual rights" - which, for example, could deal with general elements of consumer legislation such as the definition of the terms of a consumer, delivery and withdrawal rights, but also with some sectoral directives - is expected to be issued by mid 2008. The Commission also put forward a proposal for a revision of the time-share directive, which is currently pending in co-decision procedure. A common position on this is scheduled under the Slovenian Presidency.

OUR DEMANDS

BEUC in principle agrees with the introduction of a horizontal instrument which can make consumer protection more prominent in the EU, yet we believe that maximum harmonization is only acceptable on a case by case basis, when there is proof that there is an overall advantage for the consumers. In addition, mechanisms would have to be put into place to allow for quick adaptation to market developments. BEUC is worried about a possible weakening of consumer protection by applying the principle of mutual recognition or the internal market clause in sectoral directives. We underline that this is not an option in the area of consumer contract law.

DOCUMENTS

- Revision of the package travel directive - comments on the Commission's working document (BEUC/X/057/2007)
- Comments on the Doorstep Selling Directive (BEUC/X/066/2007)
- Comments on the Green Paper "Review of the Consumer Acquis" (BEUC/X/030/2007)
- "Mapping the future for European consumers" - Intervention at the European Parliament (BEUC/X/025/2007)
- Response to the questionnaire on direct producers' liability (BEUC/X/057/2006)
- Response to the consultation on the Unit Pricing Directive (BEUC/X/051/2006)
- Response to the questionnaire on the Timeshare Directive (BEUC/X/053/2006)
- Preliminary position on the Review of the consumer law acquis (BEUC/X/042/2005)
- Position on European contract law (BEUC/X/026/2003)

Consumer rights in the digital environment

BACKGROUND

Digital technologies and the Internet have initiated new ways of advertising, purchasing, and receiving goods by electronic, mobile and television commerce. There is almost no consumer area which is not affected by the development of modern information and communication techniques. Already in November 2005, BEUC and our members launched a campaign to raise awareness about the lack of consumer rights in the digital environment. We are pleased that the Parliament took up the issue of digital rights with an own-initiative report on consumer confidence in the digital environment which was adopted in June 2007. The Commission is currently analyzing the existing legal framework with a view to bringing forward guidelines on the rights and obligations of users in 2008. As part of the i2010 strategy, the Commission is expected to publish a communication on online content in the single market by the end of 2007. The Commission's proposals for the review of the telecommunication legislation package, published in November 2007, includes provisions on e-privacy, security and net-neutrality.

OUR DEMANDS

Consumers need clear rights in the digital world, and certainty as to what they can do with their digital hardware/content. We have published a declaration of six consumer digital rights: the right to choice, knowledge and cultural diversity; the right to the principle of "technical neutrality"; the right to benefit from technological innovations without abusive restrictions; the right to interoperability of content and devices; the right to the protection of privacy; and the right not to be criminalised. Content regulation has a significant impact on consumers of digital equipment. It is necessary to take into account basic consumer protection principles such as the right to private copying, fair licensing terms and privacy. Special attention needs to be given to promoting competition in the Information and Communication Technology sector whilst taking consumers' interests into account with regard to access and equity, pricing and affordability, clear and accessible information, fair technology, interoperability, redress and security. We welcome the fact that decision-makers increasingly acknowledge the need to improve consumers' protection and information in the digital environment. We call on the Commission to take the excellent work done by the Parliament and the German Presidency into consideration in its work concerning the review of consumer laws and to put forward a European charter on consumer's rights in the information society.



DOCUMENTS

- TACD resolution on Digital Rights Management - The Sequel (TACD IP-03-07)
- When consumers go digital... Comments on the Parliament's draft report on consumer confidence in the digital environment (BEUC/X/024/2007)
- "Consumer confidence in the digital environment" (BEUC/X/004/2007)
- BEUC campaign on Consumers' Digital Rights at www.consumersdigitalrights.com
- Response to the consultation on online content in the single market (BEUC/X/076/2006)
- Letter to Commissioner Reding on the film-online exercise (BEUC/X/057/2006)
- "Copyright levies in a converging world" Response to the Questionnaire of the European Commission (BEUC/X/047/2006)
- TACD resolution on Digital Rights Management (TACD IP-01-05)
- Criminal Measures for Enforcement of Intellectual Property Rights (BEUC/X/049/2005)
- Response to the Commission Communication "Challenges for the European Information Society beyond 2005" (BEUC/X/001/2005)
- Position on Digital Rights Management (BEUC/X/025/2004)



Access to justice

a. Collective consumer redress

BACKGROUND

The Consumer policy strategy 2007-2013 expressly mentions collective actions as an important element for strengthening consumers' confidence in the internal market and the Commission is now considering initiatives on collective redress mechanisms at European level. Of the 27 Member States, 12 countries currently have national mechanisms in place which enable consumers to collectively prosecute sellers or service providers. These mechanisms vary in many aspects, such as the rights of representatives and participants in the case, possible claims etc... The Commission has now launched two studies covering, inter alia, the efficiency of existing collective redress mechanisms as well as economic aspects of group actions. The Commission plans to use the results of these studies, of which the conclusions are expected by mid-2008 as well as information provided by stakeholders to decide whether, and if so, what type of, a collective redress instrument is required at EU level. A consultation on benchmarks to evaluate the efficiency for consumers of existing collective redress mechanisms is expected for December 2007. In an effort to feed into the current reflection period, BEUC held a conference in the Parliament on group actions in October 2007. The Portuguese Presidency held an event on collective redress in November 2007.

OUR DEMANDS

We very much welcome the Commission's interest and initiatives in the area of collective redress mechanisms. It is a recurring problem across Member States that many consumers suffer from the same or similar damages caused by the same company or organisation. Without effective redress systems in place, a high protection of consumers through legal provisions is worthless as they cannot be enforced.

Collective actions are particularly needed for two types of claims where groups of consumers are similarly affected: those involving small amounts of money that are uneconomic to recover through individual litigation; and cases which involve large sums of money or contain complex argument or specialised evidence that is beyond the resources of individuals. EU-type collective actions would improve the functioning of the internal market since consumers will have greater confidence to shop across borders if they have effective means to resolve possible disputes.

DOCUMENT

- BEUC reflections on a future European collective redress scheme for individual damage claims (BEUC/X/049/2007)

b. Out-of-court settlement procedures: Alternative Dispute Resolution (ADR) and mediation

BACKGROUND

Very often in disputes between businesses and consumers the costs of lawsuits are disproportionate compared to the financial amounts at stake. Access to justice being a fundamental right, it is only when effective and inexpensive systems of dispute resolution are put in place that consumers can truly make use of this fundamental right. In order to promote and facilitate speedy and efficient access to justice, the Commission adopted two recommendations (in 1998 and 2001) on the principles to be complied with by out-of-court dispute resolution bodies in business-to-consumer disputes. In October 2004 the Commission published a proposal for a Directive on mediation which aims at promoting the use of mediation rather than judicial proceedings. The Parliament has adopted its first reading opinion on the proposal in April 2007.

OUR DEMANDS

Functioning Alternative Dispute Resolution bodies must be established at national level as well as throughout the EU for dealing with cross-border complaints. We welcome the proposal for a Regulation on mediation and we are happy that the Parliament's opinion refers to the need to ensure the application of the principles of the Commission Recommendation of 2001, dealing with mediation. However, we feel that mediation is not always the best arrangement for consumers as it is based on a consensus approach and as a mediator cannot impose a solution on the parties. We would like the Commission to propose binding legislation on arbitration-type ADR, based on the 1998 Recommendation, as arbitration procedures help counterbalance the economic inequity of the parties through the involvement of a third party which can impose a decision.



DOCUMENTS

- Updated comments on the proposal for a Directive on mediation (BEUC/X/055/2006)
- Draft proposal for a Directive on mediation: Comments (BEUC/X/027/2004)
- Position on the Commission's Green Paper on alternative dispute resolution (BEUC/X/048/2002)
- Alternative dispute resolution in the context of electronic commerce (TACD Ecom-12-00)



c. Law applicable to consumer contracts ("Rome I")



BACKGROUND

The Commission issued a proposal for a regulation to modernize the rules of the so-called "Rome Convention", which sets out the law applicable to cross-border contracts (Rome I) in December 2005. The proposal aims at ensuring that consumers are protected by the laws of their own country by restricting freedom of choice and by providing, under certain conditions, for the application of the law of the consumer's country of residence.

In the context of the co-decision procedure, the Parliament and the Council have agreed on a compromise text which includes a rule on consumer contracts that deviates from the Commission proposal, as freedom of choice in consumer contracts is reinserted. The Parliament's vote took place on November 2007 and the political agreement adopted in the Council on December 2007 confirmed the compromise reached between the two institutions.



OUR DEMANDS

BEUC welcomed the Commission's proposal. In order to build consumer confidence in cross-border transactions it is essential that the standards provided for in the consumers' national legislation apply to any contracts concluded online or at a distance. By preventing freedom of choice in consumer contracts, the proposal clearly provided for more legal certainty for both consumers and businesses compared to the current situation

Under the rule agreed in the final compromise, despite the principle of freedom of choice, consumer contracts will always be subject to the mandatory provisions (mainly consumer protection law) of the law of the consumer's country of residence. However, the application of the principle of mutual recognition in the consumer legislation acquis which is currently under revision would be contrary to that rule. The mutual recognition principle has been developed by the European Court of Justice (ECJ) against the background of free movement of products and services, but the Court never ruled on the application of this principle to contractual arrangements.

We fear that the potential inclusion of this principle into the future Framework directive on consumer contractual rights could discard (in opposition to it) the rule approved in the Rome I instrument. We therefore call on the Council to ensure that the principle of mutual recognition is not "abused" in the context of the revision of the consumer acquis.



DOCUMENTS

- Position on the Commission proposal for a "Rome I" Regulation (BEUC/X/027/2006)
- Rome I - Position on the Commission's Green Paper (BEUC/X/039/2003)



Intellectual and industrial property

a. Intellectual property law acquis

BACKGROUND

The Commission is currently reviewing the collective management of online rights, the copyright term extension, the implementation of the 2001 copyright Directive and more generally, the over-all coherence of the intellectual property law acquis. It is not clear at this point how the Commission will continue to deal with levies and Digital Rights Management (DRM). A Commission study on the recasting of the copyright acquis for the knowledge economy was presented in November 2006. Another study on the implementation of the Directive on copyright in the information society was published in February 2007. Both studies recognize that more consideration must be given to public and consumer interests.

OUR DEMANDS

There is a need to accommodate consumer expectations in relation to copyrighted work and the use made of them. The Commission should continue to work on Digital Rights Management (DRM) in this direction. It must put forward convincing and economically sound justification to increase rightholders' protection if it considers tabling new legislative proposals. We challenge the long periods of copyright protection, which are far longer than the time period over which most financial returns are usually made. The campaign by the music industry to extend copyright terms for sound recordings beyond fifty years has no economic justification. We welcome most of the findings in the recent Commission studies, as they confirm many of our concerns.

DOCUMENTS

- TACD resolution on Digital Rights Management (TACD IP-01-05) and (TACD IP-03-07)
- Response to the Commission questionnaire on term extension of sound recordings and performers (BEUC/X/058/2006)
- Position on the Directive on the legal protection of databases (BEUC/X/012/2006)
- Position on the review of the EC legal framework in the field of copyright and related rights (BEUC/X/031/2004)
- Letter to President Barroso/EC - BEUC's support for the Commission's plan to initiate a reform of copyright levies systems in the EU Member States (BEUC/X/032/2007)
- Position on copyright levies in a converging world (BEUC/X/047/2006)
- Response to Article 29 Working Party consultation on Data protection issues related to intellectual property rights (BEUC/X/012/2005)
- Position on Digital Rights Management (BEUC/X/025/2004)
- Response to the Commission study on a community initiative on cross-border collective management of copyright (BEUC/X/029/2005)

b. Counterfeiting and piracy

BACKGROUND

In 2004, the Directive on the enforcement of intellectual property rights (IPRs) was adopted. In July 2005, the Commission released new proposals to strengthen the criminal law framework to combat intellectual property offences. These proposals were withdrawn following a ruling by the European Court of Justice and the Commission proposed a new Directive on criminal measures to fight against infringements of IPRs in April 2006, almost identical to the 2005 package. The proposal aims at harmonizing Member States' criminal legislation in the field of counterfeiting and at improving European cooperation to combat counterfeiting and piracy more effectively. It tackles intentional infringements of intellectual property rights on a commercial scale. The proposal is going through the codecision procedure, with the Parliament's opinion already delivered in April 2007.

OUR DEMANDS

BEUC condemns counterfeiting and piracy and believes that EU-wide regulatory measures that enable the inventors or creators of intellectual works to earn a legitimate profit from their creations and added value are desirable. Yet we underline that a distinction needs to be made between counterfeiting and piracy, and what many private consumers do on a small scale without commercial motivation in their private home. Unfortunately, the recording industry for instance tends to ignore this distinction. The proposal increases the protection of IPRs by introducing criminal penalties that are disproportionate in most cases. They will potentially criminalise consumers, limit freedom of expression and innovation, and inhibit competition. We are concerned that protection of intellectual property that confers monopoly privileges - thereby restricting competition - could impose unjustified costs on consumers. The necessary balance between the protected rights of rightholders and the public interest would not be guaranteed anymore if the rightholder could claim excessive protection.

DOCUMENTS

- Position on the amended proposal for a Directive on criminal measures aimed at ensuring the enforcement of intellectual property (BEUC/X/054/2006)
- "The effective protection of intellectual property: A challenge for Europe" (BEUC/X/002/2006)
- Position on criminal measures for enforcement of Intellectual Property Rights (BEUC/X/049/2005)

c. Design protection

BACKGROUND

In September 2004 the Commission proposed an amendment to the Directive on design protection to include a "repair clause". This would allow independent manufacturers to freely reproduce visible must-match car parts and to market them throughout Europe for repair purposes. Currently, the national legislation in the EU shows a patchwork of different rules. In some countries car manufacturers have a monopoly on the spare parts market while in others this market is liberalized. The new proposal aims at introducing the so-called "repairs clause" throughout the EU thus liberalizing the whole EU market for spare parts. Car manufacturers would continue to enjoy design protection for original new car components, but not for visible spare parts in the secondary market. After a long period of deadlock, the proposal has been voted in first reading in the Parliament in December 2007. The Parliament voted in favour of the "repairs clause" although introducing a transition period of 5 years in those countries where the market is currently protected. A Council position is expected under the Slovenian Presidency.

OUR DEMANDS

BEUC very much welcomes this proposal. Applying design protection to spare parts puts consumers at the mercy of car manufacturers, who have traditionally charged much higher prices for spare parts than independent repairers for identical parts. If the "repairs clause" is introduced throughout the EU it will prevent car producers from controlling the secondary market of spare parts through monopolies. The spare parts clause will also give consumers the right to choose where and how to have their cars repaired at affordable prices. Vehicle makers claim that design protection is needed to protect consumers from unsafe products. The fact that a design is protected does not mean that the product itself is safe, because design protection does not deal with the safety aspect of a product but only with its external appearance. Safety issues need to be dealt with by appropriate type approval legislation, not by design protection law. We oppose any intermediary solution to the full liberalization of the aftermarket of spare parts such as proposals to set out a remuneration scheme, a protection (monopoly) period or a transitional period.

DOCUMENTS

- Position on the draft report of the Parliament on the legal protection of designs, the spare parts issue (BEUC/X/009/2007)
- Spare parts - Proposal to amend the design Directive (BEUC/X/045/2004)
- The European campaign for the freedom of the automotive parts and repair market at www.ecar-eu.com





Passenger rights



a. Rights of passengers in international bus and coach transport



BACKGROUND

Currently, passengers travelling by coach or bus benefit from very few if no rights at all at European level. At national level most Member States also do not have appropriate legislation that protects basic consumer rights in this type of transport. In July 2005, the Commission published a consultation paper regarding the rights of passengers in international coach and bus transport. Based on the results of an impact assessment, the Commission plans to present a legislative proposal at the end of 2007.



OUR DEMANDS

We believe that all transport users in the EU should have a clear and coherent set of rights, including bus and coach passengers. The Commission has already taken legislative initiatives on the rights of passengers in other modes of transport (air, rail). We see no reason why passengers should have more or less rights according to the kind of transport they choose. It is necessary to legislate in this sector by setting up minimum information requirements as well as establishing a liability scheme that allows passengers to receive fair compensation when things go wrong and that at the same time takes into account the need to offer affordable prices to consumers.



DOCUMENTS

- Comments on the Commission staff working paper on the rights of passengers in international bus and coach transport (BEUC/X/043/2005)
- Passengers' rights - Comments on the Commission's Communication (BEUC/X/018/2005)



b. Air transport services



BACKGROUND

In July 2006 the Commission presented a proposal for a Regulation in the field of air transport services. The aim of the proposal is to revise the so-called "Third Aviation Package" and to merge the three existing regulations - on operating licenses, on the right to provide air services within the EU, and on pricing in the air transport sector - into one Regulation. The proposal includes provisions aiming at improving price transparency and at preventing discrimination in pricing based on the nationality or the place of residence of the customer/passenger. The Parliament adopted a first reading opinion in July 2007, which would substantially improve some consumer protection elements in the proposal. The Council reached agreement on a general approach on the proposal in June 2007 and a compromise which had been pre-negotiated with the Parliament was adopted in November 2007.



OUR DEMANDS

BEUC welcomes this proposal, but considers the provisions aimed at banning misleading airfare advertising too vague and ambiguous. These provisions should be clarified and strengthened. If consumers do not have the necessary information to be able to choose the service best suited to their needs, they will not be in a position to reward the most competitive carrier and increase the level of competition in the market. We very much welcomed the Parliament's first reading opinion that substantially improved the rules on transparency of air fares and introduced a mandatory insurance for air carriers to cover for their liabilities in case of insolvency. In addition the Parliament voted for the extension of the scope of application to all carriers operating in the Community and for Member States to have effective sanctions in case of non-compliance with the rules. We regret that the pre-negotiated compromise between the Parliament and the Council might weaken some of the good amendments of Parliament's first reading as the scope of application was restricted only to flights departing from the Community and the obligation on air carriers to cover their liabilities in case of insolvency was deleted.

DOCUMENTS

- Position on air transport services in the European Community (price transparency) (BEUC/X/062/2006)
- Passengers' rights - Comments on the Commission's communication (BEUC/X/018/2005)

**Data protection****a. General data protection****BACKGROUND**

The general data protection Directive is considered to be a milestone in the history of the protection of personal data as a fundamental right. On 7 March, the Commission published the follow-up of the Work Programme for better implementation of this directive. The Communication concludes that the Data Protection Directive constitutes a general legal framework which fulfils its original objectives by constituting a sufficient guarantee for the functioning of the internal market while ensuring a high level of protection. The principles contained in the directive remain valid and should not be modified albeit some provisions would need to be supported by interpretative communications, recommendations and amendments to specific legislation such as the e-privacy Directive.



OUR DEMANDS

From a consumer perspective there are new major challenges to protect data of individuals and their privacy. As technologies (for example data mining, geo-tracking, remote-sensing technology, video-surveillance) become increasingly more popular, consumers are continually tracked by both the state and private-sector actors. Personal data and behavior is used for ever more tailored marketing purposes - often without being known to the consumer. Consumers' personal data is also vulnerable to e-crime such as theft and/or misuse of sensitive information (phishing and spoofing). To empower consumers, adequate responses are urgently needed, from applying transparency and privacy enhancing technologies, introducing privacy impact assessments to using privacy rights management. Responsibilities should not be shifted to consumers alone and measures are needed to give incentives for business to take their part seriously. Last but not least, the lack of enforcement is a continuous problem and collective redress should be seriously considered in the field of data protection breaches.



b. E-privacy and electronic communications



BACKGROUND

The Commission published a Communication on the review of the EU regulatory framework for electronic communications in June 2006. The review also includes the Directive on privacy and electronic communications. In November 2007 the Commission adopted a package of reform proposals to update the telecoms regulatory framework. Within this package, the 2002 Directive on data protection and privacy in electronic communications is merged with the 2002 Directive on universal access and user rights in e-communication networks. The revised framework should be finally adopted in 2009.



OUR DEMANDS

BEUC is particularly concerned about unfair data collection and profiling of consumers as well as security threats. We welcome that the proposed directive entails an obligation for Internet Service Providers to inform consumers about security breaches but they should also offer them appropriate security technology at affordable prices. Strong security should be the default setting in digital products. The definition of electronic mail should be extended to cover so-called 'pop-up windows' that appear on computer screens when surfing the Internet. The directive under review established a general 'opt-in' regime for unsolicited electronic communications (spam). However, the 'opt-in' regime is subject to a number of exceptions which are no longer justified given the worrying proportions that spam is reaching. Although the proposed new directive continues to prohibit unsolicited communication it retains an "opt out" solution once a consumer has subscribed/contracted with a company. We ask for a pure "opt in" regime (with no exceptions) for all kinds of automatic commercial communications. Tougher fines and criminal penalties against spammers and the establishment of effective complaint and redress mechanisms (including out of court) should be introduced as a matter of priority.



DOCUMENTS

- Comments on the 2006 Review of the electronic communications regulatory framework - security and privacy online (BEUC/X/063/2006)
- Comments on the EU regulatory framework for electronic communications and services (BEUC/X/003/2006)

c. RFID**BACKGROUND**

Radio Frequency Identification (RFID) technology is likely to be key in the development of 'pervasive computing', or the integration of computing into the everyday environment and objects. The Commission launched a public consultation in July 2006 and published a Communication in March 2007, which is the basis for the current debates and initiatives. It established a stakeholders' expert group in summer 2007. A draft recommendation dealing with the issues of data protection and security in the context of RFID is now expected to be published for consultation with stakeholders in December 2007. The final Recommendation on RFID is expected in May 2008. In this context, the Commission also plans to publish a Communication on the "Internet of Things" by the end of 2008. In addition, in the currently pending proposals on the telecoms regulatory package, it is made clear that the current privacy rules also apply to public telecommunication services that use RFID technology.

OUR DEMANDS

While RFID could benefit consumers, we are very concerned about the negative impact its deployment will have on personal privacy (tracking and profiling of consumers) and security (ID theft). The challenge is to implement RFID technologies in a manner that guarantees privacy, gives consumers control and that is - at the very least - in line with existing legislation and guidelines. We welcome the Commission's Communication that addresses some of our concerns on the issue of privacy and security by design. We are critical as to the capacity of RFID to combat counterfeiting and regret that competition issues, such as lock-in effects in certain applications or health and environment aspects of RFID are left aside.

DOCUMENTS

- Comments on the communication on RFID (BEUC/X/031/2007)
- "Heading for the future" (BEUC/X/069/2006)
- Data protection issues related to RFID technology - Response to the Article 29 Data Protection Working Party consultation (BEUC/X/011/2005)
- TACD resolution on RFID (TACD Internet-31-05)



Food issues

Nutrition policy

BACKGROUND

According to the World Health Organisation, more than half of the adult population in certain European Union countries is overweight and one in five children is obese. Cardiovascular diseases account for almost half of all deaths in Europe. More than one third of these cases are related to poor diet. It is time for drastic measures to reverse these trends. In this context, we have presented our commitments as members of the European Platform on "diet, physical activity and health", launched in March 2005, which brings together stakeholders from the consumer and health sectors, the food industry, advertisers, retailers and public authorities. The Commission presented a Green Paper on "promoting healthy diets and physical activity" in December 2005. The Parliament reacted with a report in February 2007, in which it welcomed the WHO Charter on counteracting obesity, recognised that obesity is multi-factorial and called for the incorporation of the promotion of healthy nutrition and physical activity into other community policies. In May 2007 the Commission issued a White Paper on nutrition.

OUR DEMANDS

We are disappointed by the Commission's White Paper on Nutrition. The approach chosen by the Commission largely relies on voluntary measures and public-private partnerships. This is completely unsatisfactory given the seriousness of the challenges we are facing. BEUC calls for concrete policy initiatives including legislation. Concrete measures need to be taken to help Europe's citizens choose and live healthier lifestyles, and to ensure that all stakeholders are forced to address the core issues behind obesity. Even if, ultimately, nutrition depends on decisions taken by individual consumers, many factors can encourage or hinder appropriate choices, and influence tastes and eating habits. The healthy option in dietary terms should not just be available, but also be achievable, affordable and well visible. It should be the easy option. Educational actions are vital, in particular among very young children, to help generalise healthy eating patterns. On advertising of food for children the White Paper talks vaguely about partnerships and voluntary measures, with a review in 2010 - when there will be a new Commission. Concerning information to consumers, the White Paper points to voluntary initiatives of food producers and retailers. We believe that voluntary initiatives should be treated as a complement to mandatory rules.

DOCUMENTS

- Comments on the White Paper on Nutrition, Overweight and Obesity related health issues (BEUC/X/064/2007)
- Response to the Commission's Green Paper on "Promoting healthy diets and physical activity: a European dimension for the prevention of overweight, obesity and chronic diseases" (BEUC/X/014/2006)
- TACD resolution on nutrition, obesity and diet-related diseases (TACD Food-26-06)
- Generation Excess II website: www.tacd.org/events/ge2/index.htm
- Brochure: "European Consumer Organisations invite you to choose our menu" (BEUC/X/010/2005)
- Statement on Diet, Physical Activity and Health - A European Platform for Action (BEUC/X/009/2005)
- Letter on the joint WHO/FAO Expert Consultation on Diet, Nutrition and the Prevention of Chronic Diseases (BEUC/X/023/2002)



Development of nutrient profiles

BACKGROUND

The European Food Safety Authority is responsible for developing recommendations for EU-wide nutrient profiles. Nutrient profiling is necessary to implement the provisions of the Regulation on claims and to prevent health and nutrition claims being used to promote foods with relatively high quantities of sugar, salt or fat. EFSA will also assess scientifically new, previously unknown, claims before they are used in marketing.

OUR DEMANDS

Although different approaches may be needed in different situations, nutrient profiling must help to eliminate health claims for foods that contain relatively high levels of sugar fat or salt. If a food has relatively high levels of one of these nutrients it should not be given a "good" profile merely because of some other advantage it is claimed to have. Nutrient profiles should also be used as tools to shape and support nutritional policy and, for example, to improve the content of vending machines in schools. There are many commercial pressures bearing on EFSA's work in this area and it is essential that EFSA's expert panel on nutrition is (and is seen to be) clearly independent and transparent.

DOCUMENT

- Position on nutrient profiles (BEUC/X/073/2006)

Food marketing and advertising to children

BACKGROUND

According to the Commission, 14 million children across Europe are overweight or obese. In addition, studies by our member organisations show that the majority of advertising for food products (and drinks) aimed at children are for products high in fat, sugar or salt. Other studies have shown that children are influenced by advertising and have a strong say on household purchases. The recent revision of the Television Without Frontiers Directive, which addresses television advertising rules will not provide any restrictions on food advertising to children apart from voluntary codes of conduct for the industry. It is disappointing that the Commission is not more in line with national and international initiatives. The UK regulatory authority OFCOM introduced a ban on the advertising of foods with high levels of fat, sugar or salt in or around TV programmes that are aimed at children, coming in effect as of April 2007. At the WHO Ministerial Meeting in Istanbul in November 2006, 53 European countries signed an important European Charter on Counteracting Obesity, calling expressly for the introduction of restrictions on advertising to children.

OUR DEMANDS

In the context of the revision of the Television Without Frontiers Directive, BEUC campaigned for the introduction of restrictions on food advertising to children by introducing a ban on advertising of foods and drinks high in fat, sugar or salt before 9pm, based on nutrient profiles. Our demand is in line with OFCOM's approach and the Istanbul WHO charter requesting regulatory restrictions to commercial communications to children for energy-dense food. Unfortunately and despite the EU Health Ministers' commitment in the WHO charter, the directive will only encourage Member States and the industry to engage in self-regulating initiatives. Children are easily influenced, in particular when fictional or real characters and celebrities are used to promote products. The use of such characters in advertising should therefore be severely restricted, especially as children under the age of 10 cannot distinguish between programmes and advertising. Restrictions should not just apply to programmes that are specifically targeted to children but also to those that are likely to be watched by children, as many children watch TV outside so-called "children's hours".

DOCUMENTS

- Intervention to the Parliament's hearing on the proposed audiovisual media services Directive (BEUC/X/038/2006)
- Position on the revision the Television without Frontiers Directive (BEUC/X/023/2006)
- Brochure: "Advertising without frontiers - or when advertising hides in your TV programmes" (BEUC/X/019/2006)



Food and nutrition labelling legislation

BACKGROUND

Product labels are the most direct way of informing consumers about the food they buy. BEUC's survey on "consumer perceptions of foodstuffs labelling" published in September 2005 shows that consumers would like to see improvements in the labelling of food and that a majority of consumers are interested in nutritional information on labels. In March 2006 the Commission launched its consultation on a revision of rules concerning food labelling and indication of ingredients in foodstuffs, to which BEUC responded using the studies carried out by many of our member organisations. BEUC also set up a discussion group on simplified labelling bringing together different stakeholders in order to find a way forward to harmonise EU-wide front-of-pack simplified labelling. The conclusions of this group were presented to the Commission in July 2006. The Commission is now dealing with general food and nutritional labelling together and is expected to publish a proposal to amend the respective directives by the end of 2007.

OUR DEMANDS

Consumers' rights to information and choice can only be guaranteed with appropriate labelling legislation. Existing rules should be improved and harmonised across the EU Member States. Labels must never mislead. Information should be presented in a way that enables consumers to compare different products. Labels must therefore be clear, legible, unambiguous and presented in a standardised way. Clear and prescriptive rules on size and colour contrast should be set. Nutritional information as well as front-of-pack simplified nutrition labelling must be made mandatory and standardised for pre-packed products. Regarding nutritional labelling, BEUC demands the mandatory labelling of the "Full 8", i.e. energy, proteins, carbohydrates, sugars, fats, saturates, sodium (to be replaced by "salt") and fibre in addition to trans fats with possible exemptions for certain products such as mineral waters, fruit, vegetables and spices. Vitamins and minerals should only be quantified in the nutritional table if of particularly significant presence. Special attention must be given to vulnerable groups. Labels are also important to inform about the use of novel methods of food processing and production. An effective labelling policy must be complemented by consumer education.

DOCUMENTS

- Response to the consultation on food labelling "competitiveness, consumer information and better Regulation for the EU" (BEUC/X/040/2006)
- Brochure: "Tell me what I'm eating: food claims" (BEUC/X/055/2003)
- Position on an EU-wide simplified labelling scheme (BEUC/X/079/2006)
- Discussion group on simplified labelling: final report (BEUC/X/044/2006)
- Considerations on simplified labelling (BEUC/X/011/2006)
- Position on simplified labelling (BEUC/X/010/2006)
- Report on European consumers' perception of food labelling (BEUC/X/032/2005)
- Position on a simplified labelling scheme (BEUC/X/031/2005)
- Comments on nutrition labelling (BEUC/X/014/2003)

Additives, Enzymes and Flavourings

In July 2006 the Commission suggested a package of four regulations to consolidate and update the legislation on food additives, food enzymes and food flavourings and to submit them to a common authorisation procedure. The proposals are going through the codecision procedure with a Council general approach agreement on additives, enzymes and the authorisation procedure already reached in May 2007. The Parliament's first reading on all four proposals took place in June 2007 and the Council's political agreement on the whole package is scheduled for December 2007.

a. Common authorisation procedure

BACKGROUND

The new regulatory framework will be completed by the establishment of a common authorisation procedure. This is necessary because of the existence of different national authorisation procedures which could potentially lead to different results. The procedure proposed by the Commission is based on risk assessment carried out by the European Food Safety Authority (EFSA) and a risk management system in which the Commission and the Member States take action within the framework of a regulatory committee procedure.

OUR DEMANDS

We agree that the safety of additives, flavourings and enzymes should be EFSA's responsibility but there is a need to strengthen EFSA's resources and procedures to ensure more independent, transparent and high-quality assessments. We are concerned about the proposal to use the comitology procedure instead of the co-decision procedure for the approval of additives, flavourings and enzymes as it will lead to a lack of transparency. We support the requirement for Member States to monitor the consumption and use of additives, flavourings and enzymes. This should be done by national authorities and not by the industry.

b. Food additives

BACKGROUND

The Commission proposal for a Regulation on food additives gives the Commission the power to maintain lists of allowed food additives and introduce rules on the labelling of food additives. The European Food Safety Authority would be responsible for the risk assessment of new substances and an evaluation programme has been introduced for existing authorisations.

OUR DEMANDS

Most consumers would prefer to have no additives at all in their food, as they expect products to be as natural as possible. If additives are used, it is important to define clear criteria to ensure that they are used because there is a

reasonable technological need, a benefit for consumers and that they do not mislead consumers, through for instance, the irresponsible use of colourings. All new authorised additives should be re-evaluated every ten years and those currently in use must be re-evaluated both in terms of safety and benefits to consumers. It is also essential to review the definition of processing aids as processing aids other than enzymes are currently excluded from the proposal. We also want to highlight the confusing situation whereby some additives are labelled as "E numbers" while others are labelled using their name.

DOCUMENTS

- Position on the Commission proposals for a Regulation on food additives, food enzymes and food flavourings (BEUC/X/074/2006)
- Comments on the draft working paper for a Regulation on food additives (BEUC/X/022/2005)

c. Food enzymes

BACKGROUND

Enzymes are bio-chemical catalysts that speed up chemical reactions, in cheese or fruit juices for instance, and are often used in food products. The Commission's proposal on the use of enzymes in food would regulate the use of enzymes as additives or processing aids in food. It would also introduce a risk assessment (by the European Food Safety Authority) and an authorisation procedure for enzymes.

OUR DEMANDS

If enzymes are used, it is important to define clear criteria to ensure that they are used because there is a reasonable technological need, a benefit for consumers and that they do not mislead consumers. We support the approval of all enzymes, including genetically modified micro-organisms (GMMs), and the establishment of a positive list. We are concerned about the length of the transitional period, especially considering the increasing use of enzymes in food processes. Enzymes still present in the final product should be labelled (including their function). Information on all enzymes used in food processing should be provided, if not on the label at least through other media (preferably at point of purchase).

DOCUMENTS

- Position on the Commission proposals for a Regulation on food additives, food enzymes and food flavourings (BEUC/X/074/2006)
- Comments on a working paper for a Regulation on food enzymes (BEUC/X/023/2005)



d. Food flavourings



BACKGROUND

The Commission's proposal for a Regulation on flavourings for use in foodstuffs clarifies the definition of flavourings, sets conditions of use and introduces provisions on the labelling of flavourings. The European Food Safety Authority would be responsible for the risk assessment of new substances.



OUR DEMANDS

If flavourings are used, it is important to define clear criteria to ensure that they are used because there is a reasonable technological need, a benefit for consumers and that they do not mislead consumers. All new authorised flavourings should be re-evaluated every ten years and the ones currently in use must be re-evaluated both in terms of safety and benefits to consumers. Flavourings produced from genetically modified micro-organisms (GMMs) should also be subject to an authorisation procedure. We support the removal of the category 'natural identical' from the definitions as it is not meaningful for consumers. We are concerned that information on the source of flavourings used in foods can be misleading for consumers. The 90% rule proposed by the Commission could for instance be misused by claiming that a flavour comes from a given source when in fact 10% of the flavour come from a completely different source. We therefore ask for the 90% rule to be substituted by a 98%, or at the very least by a 95% rule.



DOCUMENTS

- Position on the Commission proposals for a Regulation on food additives, food enzymes and food flavourings (BEUC/X/074/2006)
- Comments on a working document for a Regulation on flavourings (BEUC/X/025/2005)



Novel foods

BACKGROUND

Novel foods, or foods derived from new technologies (e.g. probiotics), are a particular group of foods that, by their very definition, need specific risk assessment and special approval. The Commission is expected to issue a proposal before the end of 2007 to amend the current regulation, which would clarify the definition and categories of novel foods and the scope of the regulation, as well as risk assessment procedures.

OUR DEMANDS

We welcome the planned review but are concerned that competitiveness and innovation might have more weight in the impact assessment than food safety, public health and consumers' trust in the authorisation of novel foods. All novel foods, including traditional foods from third countries, newly developed innovative foods and foods produced by new technologies, should undergo an equally thorough safety assessment before being allowed on the European market. The benefits of the introduction of a novel food as well as dietary exposure - in particular the combination of different novel foods with similar characteristics - must be clearly considered as part of the authorisation process. There should also be long-term monitoring of novel foods introduced on the EU market: they should be reviewed regularly and also when more scientific evidence becomes available. The review must consider whether the new legislation guarantees that consumers are protected from future developments in food technologies, such as nanotechnologies. Marketing of novel foods should be strictly regulated to avoid misleading consumers. We believe the European Food Safety Authority should be responsible for the initial risk assessment of a novel food in close consultation with experts from Member States. At the same time, EFSA's independence must be ensured through clear rules on transparency and by guaranteeing the independence of experts on its scientific panels.

DOCUMENTS

- Response to the consultation on novel foods (BEUC/X/050/2006)
- Comments on novel foods (BEUC/X/044/2002)



Organic farming

BACKGROUND

In response to the growing consumer demand for organic food, the Commission published a European Action Plan on organic food and farming in June 2004. In June 2007, the Council adopted a Regulation on organic production and labelling of organic products. The Regulation sets EU organic standards, allows the use of national organic logos as well as the European organic logo, deletes the 70-95% margin to only consider products being at least 95% organic, and sets a threshold of 0.9% for accidental Genetically Modified Organisms presence. The Commission is expected to issue a proposal for a Regulation on a new system of technical equivalency evaluations of organic market products in the second quarter of 2008. This Regulation would replace the current national transitional derogation system (the option for Member States to grant national derogations to organic market products from third countries) with a new permanent system using technical equivalency evaluations.

OUR DEMANDS

Organic farming can make an important contribution to the overall objective of sustainable agriculture, but should not be overestimated to the detriment of conventional agricultural methods which are likely to remain the main source of food for consumers. In view of consumer expectations with regard to the environment, food safety and quality, sustainable agriculture should be promoted. Organic farming should be given special support, but policies should also aim at improving sustainability across all forms of production. Compliance with organic standards must be subject to regular checks, covering the entire food chain. European standards should also be applied to imported products labelled "organic". It is essential that consumers buying organic products have access to reasonably priced and high quality products with acceptable shelf lives. We favour the optional use of the EU organic logo and the mandatory "EU-organic" reference for foods produced within the EU, without doing away with other long-established national logos. This will help consumers identify products that comply with basic EU criteria and easily recognise the organic alternatives when buying food products.

DOCUMENTS

- Position on organic production and labelling of organic products (BEUC/X/036/2006)
- Comments on the Commission's consultation paper: "Towards a European Action Plan for organic food and farming" (BEUC/X/016/2003)
- Position on organic farming (BEUC/X/019/2002)



Food hygiene

BACKGROUND

In March 2007 the Commission published a proposal for a Regulation amending inter alia the Regulation on the hygiene of foodstuffs. The proposal is part of the so-called “fast track actions” proposals which aim at reducing administrative burdens on businesses in the light of the Commission's Better Regulation Strategy. This Proposal suggests that the Hazard Analysis and Critical Control Point (HACCP) principles which aim at ensuring food safety shall not apply to enterprises that have less than 10 employees, have an annual turnover or annual balance sheet total that does not exceed 2 million EUR, and the activities of which consist predominantly in the direct sale of food to the final consumer. The proposal is now going through the codecision procedure.

OUR DEMANDS

BEUC points to the fact that the HACCP principles are an internationally accepted system to ensure food safety and that food safety problems often originate from businesses with less than 10 employees. We therefore believe that HACCP principles should be applied by all food business operators, including very small ones. BEUC recognizes the need for flexibility in relation to the application of HACCP, however, the requirements for very small businesses are already flexible and balanced enough in the current legislation. We are concerned that the proposal puts economic interests first and does not give sufficient consideration to possible negative health implications. Consumers need to rely on good hygienic standards regardless of the place where they buy their food. BEUC calls for the rejection of the proposed amendment to the Hygiene Regulation since no convincing evidence is presented why the concerned small businesses should be exempted from all HACCP requirements.

DOCUMENT

- Position on the Proposal to exempt micro-enterprises from the requirement to apply procedures based on HACCP principles (BEUC/X/042/2007)



Anti-microbial treatment of food of animal origin

BACKGROUND

The Regulation laying down specific hygiene rules for food of animal origin requires that no substance other than drinking water be used to remove surface contamination from products of animal origin, unless the use of the substance has been approved by the European Food Safety Authority. The EU consequently has banned the import of U.S. poultry on sanitary and phyto-sanitary grounds because of the use of washes of low concentration chlorine as an antimicrobial treatment to reduce the level of pathogens in poultry meat production. In December 2005, EFSA adopted an opinion concluding that treating poultry carcasses with chlorine dioxide, acidified sodium chlorite, trisodium phosphate or peroxyacids does not represent a safety concern. Following this, the Commission proposed a first draft of a proposal for a Regulation authorising the use of certain chemical substances for the antimicrobial treatment of food of animal origin. The Commission is now awaiting assessments from EFSA and the Scientific Committee on Health and Environmental Risks (SCHER) about, inter alia, the environmental effects of the use of the different antibacterials. These assessments are expected in the first half of 2008.

OUR DEMANDS

BEUC is very concerned that this proposal could result in unacceptable relaxations in the hygiene measures applied at primary production level, during transport, slaughter and processing, in particular for imported products. It could lead to decontamination being used as a substitute to good hygiene practices. We are not convinced that the supposed hygiene benefits would outweigh the risks posed by the possible misuse of these chemicals, such as the use of wrong concentrations, increased contact time with the chemicals, or ineffective rinsing. Furthermore, the labelling provisions proposed by the Commission are insufficient as bleached meat would still be labelled as 'fresh meat' and would not cover meat from which the skin has been removed (i.e. most poultry products). In fact both the EU and U.S. have significant problems of bacterial contamination in poultry. Regulations should not assume that poor hygiene standards in production can be offset by "chemical" treatment at the end of the production process.

DOCUMENTS

- Position on antimicrobial treatment of food of animal origin (BEUC/X/015/2006)
- Transatlantic Consumer Dialogue Recommendations to the Transatlantic Economic Council published on 8th Nov 2007, point C (4)



Setting of maximum and minimum levels of vitamins and minerals in foods

BACKGROUND

Many consumers choose to take food supplements in addition to eating food products fortified with vitamins and minerals. The Directive on food supplements provides for the setting of maximum and minimum amounts of vitamins and minerals in these products. There are similar provisions in the Regulation on the addition of vitamins, minerals and certain other substances to foods. In June 2006 the European Commission launched a public consultation to identify the issues to be considered when setting maximum and minimum level of vitamins and minerals and how to address them. The Commission published an orientation paper on this issue in July 2007.

OUR DEMANDS

BEUC welcomes the fact that the Commission has presented a paper to discuss the possible approaches for setting maximum and minimum amounts of vitamins and minerals in foodstuffs. BEUC would appreciate it if such a proposal was put forward in the short-term. With the current growth in the food supplements market, it is essential to introduce maximum amounts of vitamins and minerals in foods. We are concerned about the possibility that a consumer could end up overdosing on some vitamins or minerals due to the fact that they are present in many different foods. The setting of maximum levels should be based on scientifically recognised requirements, which should be communicated in a transparent and understandable manner. If tolerable upper intake levels have not been established for a particular nutrient because of lack of data, consumers would be more protected if the product were not allowed on the market. We believe that it is necessary to set maximum limits for vitamins and minerals separately for food supplements and fortified foods. Different population groups also have different needs as to their individual daily requirements in vitamins and minerals, and this should be taken into account when setting maximum levels. In addition, it should be mandatory to notify all food supplements put on the market to the competent national authority in order to improve the calculation of dietary intakes and monitor the impact of these products on consumers' health. Additionally, we urge that resources be made available for EFSA in order to be able to come forward with EU data in the nearby future.

DOCUMENT

- Comments on the Commission's discussion paper on the setting of maximum and minimum amounts for vitamins and minerals in foodstuffs (BEUC/X/078/2006)



Safety issues

Revision of the Toy Safety Directive

BACKGROUND

In 2005 the EU introduced a permanent ban for the use of six phthalates in toys and childcare articles. In 2006 the Commission issued a guidance document which aims at helping to identify toys and childcare articles (or parts of toys and childcare articles) which can or cannot be placed in the mouth by children. After several years of preparatory work, including an impact assessment of chemical requirements for toys, the Commission is now expected to publish the proposal for a review of the Toy Safety Directive at the end of 2007. In the light of the toy industry's recalls of dangerous products in August and September 2007, the Commission engaged in a two month stocktaking exercise to review the EC product and toy safety legislation, including enforcement, which was finished in November 2007. The stocktaking review contains a number of proposals for further action to improve consumer product safety and also refers to the revision of sector-specific legislation, such as a revision of the toy safety directive. The Parliament also adopted a resolution urging the Commission to present the revision of the Toys Directive as soon as possible and to include efficient and effective requirements for product safety.

OUR DEMANDS

The Commission's proposal for an amended Toy Safety Directive which we hope will be presented soon, should include, inter alia, new and tougher provisions on chemicals in toys. BEUC wants chemical substances which are carcinogenic, mutagenic and toxic for reproduction (CMRs of class I-III), hormonal disrupting chemicals and allergenic substances to be banned from toys. The revised directive should apply to any product that presents risks to children, including those which may not be a traditional toy, e.g. chocolate with toys inside (inedibles in food). Essential safety requirements for toys must be made clearer, in particular with regard to hearing damage, suffocation, chemical properties and flammability. We also urge the Commission to introduce a comitology procedure in the Toys Directive, in order to allow for rapid adaptation of the directive in case of e.g. emerging risks. We oppose the use of the CE marking on consumer goods and recall that CE marking has never been intended for consumers. Finally, we consider that the proposed Internal Market for Goods Package should not lead to a separate system of market surveillance and enforcement for "New Approach" products, such as toys. The general product safety regime should apply to all products, including toys, in relation to health and safety aspects.

DOCUMENTS

- BEUC letter to Commissioner Verheugen on toy safety (BEUC/X/063/2007)
- BEUC/ANEC comments on the Commission's draft guidance document on the interpretation of the concept of "which can be placed in the mouth" (BEUC/X/034/2006)

Pedestrian safety

BACKGROUND

The Commission's 2003 proposal for a Framework Directive on pedestrian safety introduces a two-phased approach for testing the safety of cars in case of a collision with a pedestrian: a first phase introducing only two crash tests (leg and head) as from 2005 and a second phase introducing the four EEVC (European Enhanced Vehicle Safety Committee) tests (upper leg, lower leg, adult head, child head) as from 2010. EU ministers agreed on this approach, but asked the Commission to conduct a feasibility study for the EEVC tests to be used in the second phase. The results, published in June 2004, concluded that the second phase was unfeasible. Since then the Commission is revising the second phase of the directive, with the risk of lowering the safety standards originally foreseen.

OUR DEMANDS

The Commission's further delay in proposing concrete amendments of phase II of the Pedestrian Protection Directive is disappointing. A Regulation replacing this directive on the protection of vulnerable road users is long overdue and should be issued rapidly. We call on the Commission not to weaken the safety standards of its original proposal. All four EEVC tests must be mandatory. It is the car industry's responsibility to make sure it manufactures safer models so as to provide maximum protection to the most vulnerable road users such as pedestrians and cyclists. The reliability of EEVC tests is broadly acknowledged.

DOCUMENTS

- Comment to Cars 21 High Level Group final report (BEUC/X/030/2006)
- VOICE Network position on improving cars to protect vulnerable consumers (BEUC/X/035/2006)



New internal market package for goods

BACKGROUND

In February 2007, the Commission adopted a series of proposals called the "New Internal Market Package for Goods". The aim of these measures is to update and strengthen the "New Approach" which was established in the 1980s and to restrict the imposition of national technical restrictions on the marketing of goods. The "New Approach" put into place a system which enabled the Commission to mandate the drawing up of technical specifications by European standardisation organisations. As a number of shortcomings were identified, the Commission proposed a review through several complementary measures: A draft Regulation on accreditation and market surveillance, a decision on guidance for future sectoral legislation on common elements of the 'New Approach' dealing with conformity-assessment, CE marking and obligations for economic operators. Finally, a proposal for a Regulation on mutual recognition regarding national technical restrictions on the marketing of goods in other Member States. The proposals are now going through the first reading of the codecision procedure.

OUR DEMANDS

BEUC is worried that the proposed package may introduce a surveillance and enforcement system for certain "harmonised" products (toys, cosmetics, domestic electrical appliances etc), which significantly differs from the general product safety regime. We consider that a single coherent set of provisions should be applied across the board with respect to the health and safety of all consumer products; including the harmonised "New Approach" products (toys, domestic electrical equipment, cosmetics etc). While we agree of course with the objective of greater coherence in market surveillance, we fear that the package may lead to the striking down of many existing national regulations and to less transparency in further law making. Before applying the New Approach automatically to future regulations, there should be a case by case review of whether the standardisation process can meet the requirements of accountability, legitimacy, transparency and consumer confidence, including of course consumer representation in relation to the regulation in question. As regards CE Marking, BEUC since many years argues that the CE Mark should not appear on consumer products as it is misleading to consumers. With the current revision the Commission wants to put even more emphasis on marking as a means of consumer information.



Cosmetics

BACKGROUND

In the 2003 review of the Cosmetics Directive, a ban on CMR (carcinogenic, mutagenic or toxic for reproduction) substances in cosmetics products was introduced. This and the new labelling requirements specifying that packaging must include information on the durability of the product after opening and the presence of allergens were two positive results of the last revision of the directive. The Commission is currently preparing a proposal for a simplification of the Cosmetics Directive to implement elements of the so-called "New Approach", which is expected for the end of 2007. Discussions notably focus on a transformation of the directive into a regulation and on the evaluation and classification of the ingredients according to their intrinsic properties.

OUR DEMANDS

BEUC very much welcomed the ban on CMR substances and calls for similar provisions to be put in place for endocrine disruptors. Special attention must be paid to the use of nanoparticles in cosmetics. The Commission should establish clear mandatory standards for the evaluation methods of the efficacy of cosmetic products as well as rules for appropriate claims and labelling. Consumers have the right to clear information about cosmetics, particularly regarding the risks of using products containing untested and potentially toxic chemicals.

DOCUMENT

- Comments on the simplification of the Cosmetics Directive 76/768/EEC (BEUC/X/019/2007)





Sunscreens



BACKGROUND

In May 2006, the Commission launched a public consultation on a recommendation on sunscreen products, which was finalised in September 2006 and is being implemented. It introduces non-binding guidelines for producers setting minimum standards for sunscreen products and simple and understandable labelling for consumers. Four aspects of sunscreen products are covered in the recommendation: testing methods for UVA protection, the sun exposure of babies and young children, correct application of the product and 'sun blockers'. BEUC participated in a Commission working group, together with industry representatives, to develop information campaigns for consumers on sun products. The campaign was launched in May 2007. The Commission's Scientific Committee on Consumer Products (SCCP) has also published a preliminary report on the "Safety of Nanomaterials in Cosmetic Products". The SCCP considers that the risk assessment of nanoparticles in cosmetics should be carried out on a case-by-case basis taking into account the specific characteristics of nanomaterials.



OUR DEMANDS

BEUC welcomed the Commission's introduction of new labelling provisions for sun protection products as they take into account both protection against sunburn caused by UVBs and against skin cancer and skin ageing caused by UVAs. A low, medium, high, or very high label will indicate the level of protection offered by sunscreens. This label will provide appropriate information to consumers. Nevertheless, we believe that these provisions should have taken the form of a directive instead of a simple recommendation. Products under the new scheme are expected to be put on the market in the summer of 2008. We ask the Commission to closely monitor if producers follow the recommendations. With regard to nanoparticles, we call for the Commission's scientific committee to evaluate the potential risks that may arise from their use in cosmetics as a matter of urgency.



DOCUMENTS

- Comment on the consultation on nanosciences and nanotechnologies "A voluntary code of conduct on nanosciences is not satisfactory" (BEUC/X/051/2007)
- Comments on the consultation on the efficacy of sunscreen products and claims related thereto (BEUC/X/039/2006)



Hair dyes

BACKGROUND

In late 2002 the SCCP (Scientific Committee on Consumer Products) adopted a step-by-step strategy which proposes that hair dyes be evaluated and hazardous hair dyes be phased out. The cosmetic industry had to come forward with safety dossiers for each hair dye product by July 2005. The SCCP is now evaluating the dossiers during a second phase. In July 2006 the Commission banned 22 hair dye substances for which the industry had not submitted any safety files. In September 2007 the Commission proposed a ban on an additional 49 hair dye substances. The other products are still being evaluated or are awaiting the submission of their safety file. In the third phase, dossiers concerning the safety of combinations of ingredients need to be submitted by December 2007, in order to simulate real conditions of use. Finally, a positive list of hair dyes to be allowed for use in the EU will be established. Following the publication of a memorandum of the SCCP in March 2007 on potential risks of skin allergies through hair dyes, the Commission decided to extend the safety assessment of hair dyes in order to reduce these risks. In July 2007 the Commission launched a consultation on the self testing of hair dyes to assess the risks of potential skin sensitisation and allergic reactions to hair dyes.

OUR DEMANDS

The category of chemical substances used in hair dyes is a serious cause of concern. For a long time now the SCCP has been urging the Commission to take action in relation to hair dyes, to provide information on the substances they contain and to evaluate their potential risks. BEUC welcomed the announcement of the Commission to extend the assessment of hair dyes. However, the Commission needs to allocate sufficient resources for speeding up the process of evaluating substances used in hair dyes and prohibit or strictly regulate their use. If a product has not been assessed and cleared by the specified date then it should be banned.

DOCUMENT

- Comments regarding the proposed ban on the use of 49 cosmetic substances currently used in hair dye products (BEUC/X/056/2007)



Environment issues

Energy efficiency

BACKGROUND

More and more consumers are ready to buy energy efficient products and make a contribution towards a better environment. The Commission launched a Green Paper on the new energy policy in April 2006, aiming at achieving and promoting sustainability, competitiveness and security of energy supply. It also adopted an Action Plan for energy efficiency in October 2006, to be implemented over the next six years. The Action Plan proposes individual actions for the development of an EU energy policy, including the setting of stringent new efficiency standards and improvement and harmonization of labelling of energy-using products. The current EU energy labelling scheme for appliances will soon be revised. In parallel, the Commission is in the course of implementing the 2005 Eco-design of Energy-using Products (EuP) Directive through adopting implementing measures laying down eco-design requirements for energy-using products. BEUC is a member of the Commission's Consultation Forum on the implementation of the EuP Directive.

OUR DEMANDS

In order to promote a reduction in energy consumption in Europe, consumers' information (e.g. through the labelling of consumer products) needs to be improved. At the same time, more ecologically-friendly, sustainable products are needed on the market. According to some of our members' studies, classification of products in terms of energy efficiency is not always reliable. There is a discrepancy between industry claims and independent test results. Mandatory requirements also do not seem to be properly enforced by Member States, making it easy for the industry not to provide accurate information. In the context of the upcoming revision of the EU energy labelling scheme, we believe that monitoring and enforcement of the scheme and related standards should be improved at national level. Market surveillance by Member States should be considerably strengthened through collective European action (e.g. spot tests at European level) supervised by the Commission. In addition, energy efficiency should be promoted by making eco-products more affordable and available. The energy labelling scheme should be upgraded. Education and information will help promote eco-products and energy efficient consumption.

DOCUMENTS

- Consumer relevant eco-design requirements for standby and off-mode losses (BEUC/X/058/2007)
- Comments on the action plan on sustainable consumption and production (BEUC/X/050/2007)
- BEUC/ANEC comments on the Green Paper on energy efficiency (BEUC/X/021/2006)



Sustainable Consumption

BACKGROUND

The Commission will present in early 2008 Action Plans on Sustainable Industrial Policy and on Sustainable Consumption and Production (SCP) which will aim at making the production, design and consumption of products more sustainable.

OUR DEMANDS

The Sustainable Consumption and Production framework should be based on the right balance of economic and legal instruments, complemented by voluntary instruments, and combined with target setting. It should be much more than mere 'information' campaigns. Rather than be considered in a policy vacuum, SCP should function as an umbrella policy and be integrated with other EU policies, in particular consumer policy and industrial and trade policy. A more sustainable economy should be built through producers benefiting from tax incentives while consumers would be offered more cost-efficient, green products.

DOCUMENT

- ANEC/BEUC joint position on consumer expectations on the action plans on sustainable consumption and production and on sustainable industrial policy (BEUC/X/050/2007)









Indoor air quality



BACKGROUND



The quality of the indoor air we breathe is vital to our health because we spend 80% of our time indoors (at work, at home, or at school). Indoor air is sometimes five times more polluted than outdoor air. In this context the Commission's Consultative Forum on Environment and Health has set up an expert working group on air quality to review and advise on all European programmes relating to indoor air quality. BEUC is part of the working group. In June 2007, the Scientific Committee on Health and Environmental Risks (SCHER) issued its long delayed final opinion on indoor air pollution. The opinion suggests that the health risk assessment of the pollutants in indoor environments should be done according to the standard principles of chemical risk assessment in the EU (assessing both inherent properties and exposure) and recommends addressing vulnerable groups, including children, on a case-by-case basis. A few years ago, the Parliament called on the Commission to draft a Green Paper dealing specifically with domestic pollution.



OUR DEMANDS

BEUC has stressed the need for legislative initiatives to be taken in this field. Consumers are exposed to many different chemicals from various sources indoors and the cumulative effect of these multiple exposures may give cause for concern. Consumers need to have good quality information on the potential combined effects of chemicals on health and the environment and the patterns of consumer exposure to them. Yet, following the implementation of the new REACH Regulation, it will take years to gather minimum data to assess the risks of less than a third of these chemicals. The SCHER report falls short of what is needed: it does not suggest a precautionary approach by e.g. proposing the application of maximum emissions' levels for emission sources such as consumer products. Furthermore, in relation to vulnerable population groups it only recommends a health risk assessment based on a case-by case approach. We consider that this matter would need to be addressed in a more systematic and prioritised way.



DOCUMENT

- Comments on the SCHER preliminary report on risk assessment on indoor air quality (BEUC/X/023/2007)



REACH implementation

BACKGROUND

At home, at school and at work, consumers are exposed to a wide range of chemical substances from many different sources. Some 100,000 chemicals are used in the EU and the majority have never been properly assessed for their effects on health or the environment. These include substances that build up in the body and others that are suspected of causing cancer, genetic mutation or damaging the hormonal system. There are many sources of exposure to chemical substances and in most cases we do not know our total level of exposure. In 2003 the Commission issued a proposal for a regulation on the registration, evaluation and authorisation of chemicals (REACH) to address these problems. The proposal was adopted by the institutions in December 2006. A new European Chemicals Agency (ECHA), responsible for setting up and managing the REACH system, was established in Helsinki.

OUR DEMANDS

BEUC is rather disappointed by the final outcome of the REACH initiative. In relation to the original Commission proposal, fewer substances will undergo an assessment and industry will have to provide less data regarding these substances. Many substances of very high concern (including carcinogenic substances and endocrine disruptors) will still be authorised in consumer products despite the existence of safer alternatives. These authorisations will be granted as long as industry claims that the risks can be "adequately controlled". BEUC and its members are now following and participating in the implementation of REACH across the EU. We will participate in the work of the European Chemicals Agency, as BEUC's environment and safety officer is a substitute member of its management board.

DOCUMENTS

- BEUC's campaign on chemicals: To know more about your daily cocktail of chemicals, visit www.chemical-cocktail.org
- Letter to the Environment Committee on REACH (BEUC/X/075/2006)
- Position on REACH - Consumers need to know about risks AND hazards: amendments on risk communication are harmful for consumers (BEUC/X/042/2006)
- Brochure: "Get the risks right" (BEUC/X/046/2005)
- The new REACH legislation (BEUC/X/002/2005)
- Position on EU chemicals legislation REACH (BEUC/X/012/2004)
- Brochure: "Our daily cocktail of chemicals" (BEUC/X/005/2004)



European eco-label

BACKGROUND

More and more consumers are looking for ways to reduce their exposure to potentially dangerous chemicals in everyday consumer products and to choose more ecological products. We should be in a position to make environmentally friendly choices with access to full, clear and objective information. The Commission launched a consultation on the current Eco-label Regulation in February 2007 and a proposal for its revision is expected in early 2008 as part of the Commission's Action Plans on Sustainable Consumption and Production and on Sustainable Industrial Production.

The upcoming review will offer an important opportunity to improve the eco-label so that consumer concerns are more strongly addressed and to clarify the role the EU ecolabel can play in relation to sustainable consumption and production.

OUR DEMANDS

BEUC supports the need for Community measures to require companies to design and manufacture products with improved performance on environmental and human health aspects. An Integrated Product Policy framework is needed which better supports the eco-label and discourages industry from creating independent labels, as these can mislead and confuse consumers. A BEUC study showed that eco-label criteria are very often ahead of legislation, either by banning hazardous chemical substances entirely or by setting much stricter limits. It is therefore crucial that the revision does not lower this high standard but that the EU Ecolabel is recognised as the label of environmental excellence. Unfortunately, eco-labelled products are not always easy to find and are often relatively expensive compared to 'conventional' products. The eco-label needs an EU-wide awareness-raising campaign in order to increase consumers' knowledge of the label's existence. The revision of the eco-label scheme should set clear and ambitious targets taking into consideration human health aspects. It is also crucial that consumer and environmental NGOs are more involved in the development of the scheme and its decision-making process.

DOCUMENTS

- Consumer and Environmental organisations' response to the Commission's consultation on the revision of the European Ecolabel Scheme (BEUC/X/029/2007)
- Response to the Commission document on the revision of the EU eco-label Regulation (BEUC/X/048/2006)
- The EU eco-label: An easy-to-use guide for safer consumer products (BEUC/X/030/2004)
- Study on the EU eco-label: Less hazardous chemicals in everyday consumer products (BEUC/X/010/2004)



CO₂ emissions from cars

BACKGROUND

In 1995, a Community strategy to reduce CO₂ emissions from passenger cars set up an average emission target for new cars of 120 grams per kilometre by the year 2012, to reach the objective of the Kyoto protocol. The target was supposed to be reached using three pillars: labelling of cars to provide consumers with information on the fuel efficiency of cars (Car Labelling Directive), taxation related to CO₂ and a voluntary agreement by car manufacturers to reduce CO₂ emissions. In its Communication for a revised strategy to reduce CO₂ emissions, issued in February 2007, the Commission announced the introduction of an EU legislative framework to reduce CO₂ emissions from cars. A legislative proposal is expected at the latest by mid-2008. In October 2007, the Parliament adopted a resolution on the Commission's revised strategy for a reduction of car CO₂ emissions.

OUR DEMANDS

We welcome that the EU institutions are finally committed to introduce binding legislation in this area. The Commission strategy is however, in our view, not sufficient and not ambitious enough. It reduces the burden on car manufacturers by requesting a weaker CO₂ emission target of 130g/km for the average new car fleet by means of improvements in vehicle motor technology instead of the originally envisaged 120g/km. BEUC is disappointed with the Parliament's resolution which accepts the weaker emission target and suggests yet another delay in its implementation. Regarding the marketing and advertising of information related to fuel economy of new passenger cars, we welcome that the Commission considers this an important factor in enabling consumers to make an informed choice. We share the Parliament's view that the marketing and advertising of information related to fuel economy should be governed by binding rules and not by a code of good practice. We regret that no clear deadlines are foreseen for the different Commission proposals, not even for the legislative framework which is vaguely suggested to be proposed by mid-2008.

DOCUMENTS

- Comments on the Commission's revised strategy to reduce CO₂ emissions from cars (BEUC/X/036/2007)
- Comments on the Commission's Communication on the CARS 21 report (BEUC/X/030/2006)



Economic issues

Energy Markets

BACKGROUND

In July 2007 the Commission issued a consultation on possible elements of an Energy Consumer's Charter. The aim is to inform citizens about their current rights in the field of energy and to list 'complementary' provisions that Member States could make binding or that could form part of voluntary agreements. A finalized version of the Charter is expected in spring 2008. In parallel with the Charter, in September 2007 the Commission published the 3rd Energy Package. The focus mostly lies on completing the internal European energy market. At the centre of the proposals is the separation of the ownership of energy transmission from ownership of production and distribution, the so-called "unbundling". It also proposes a strengthening of national regulators and the creation of an EU agency for the cooperation of the National Energy Regulators. Additionally, the package aims at ensuring certain consumer rights, such as access and availability of consumption data and easy supplier switching.

OUR DEMANDS

BEUC has welcomed the Energy Consumer's Charter, but we are sceptical about the impact a non-binding initiative can have on the functioning of the European energy markets. We believe that the rights of energy consumers need to be enforceable, which can only be ensured through a legally binding instrument. Furthermore, some rights are still missing such as compensation in case of discontinuity of supply, representation or easy mechanisms for complaint handling. The Charter is also too complicated for consumers to use as an overview of their rights; it should be made clearer. BEUC welcomes the Commission's intention to establish a competitive energy market in Europe, but at the same time calls for National Regulatory Authorities to be given the possibility to impose transitory tariffs (price caps), when markets are not competitive. We suggest requiring the distribution system operators to fully unbundle their networks in order to stimulate competition in the retail markets. It remains crucial to analyze to what extent the previous directives have met their goals in relation to retail markets.

DOCUMENT

- Comments on the 3rd Energy Package (BEUC/X/067/2007)



Services of General Interest

BACKGROUND

In 2003, the Commission began producing annual evaluations of the performance of public utility services in the fields of air transport, local and regional transport, railway transport, electricity, gas, postal services and telecommunications. Issues such as prices, the fulfilment of universal service obligations, and in particular quality of services, accessibility and affordability are monitored. A Green Paper on services of general interest (2003) was followed by a White Paper (2004) and a Communication on social services of general interest aimed at better taking into account the diversity of social services and how to improve legal uncertainty regarding the application of Community law (2006). The Commission's Internal Market Review of November 2007 contains a Communication on services of general interest, including social services of general interest. The future EU "Reform Treaty", adopted in December 2007, has a protocol, which sets out the main principles for SGIs.

OUR DEMANDS

We believe that the protection of consumer interests and universal service is fundamental to the liberalisation process and needs to be guaranteed in the relevant sectorial legislation. Universal service is a minimum set of services of specified quality, available to all users independent of their geographical location and, in the light of specific national conditions, at an affordable price. Universal service must meet consumer expectations with regard to access, choice, price, quality, security and reliability and must be independently regulated and enforced. Even though we support the principle of universal service, this does not imply support of any kind of monopoly service provision, whether by public or private organisations. We will closely monitor the implementation of the protocol on services of general economic interest in the Reform Treaty to ensure a balanced outcome in terms of protection and competition.

DOCUMENT

- Comments on the Commission's Green Paper on Services of General Interest (BEUC/X/038/2003)





Telecoms



BACKGROUND

In November 2007 the Commission presented its 3rd Telecom Package reviewing 5 telecom directives, the Decision on the radio spectrum and the Recommendation defining markets subject to ex-ante monitoring from the national telecom regulators. The aim of the proposals is to enable European citizens to benefit from better and cheaper communication services. The Commission proposes to reinforce competition between telecoms operators, promote investment into new communication infrastructures and make communication networks more reliable and more secure. The Commission proposals are now in the co-decision procedure and are expected to become legislation by the end of 2009.



OUR DEMANDS

BEUC welcomes the fact that the 3rd Telecom Package strengthens some consumer rights related to the provision of contractual information, transmission quality and provider switching. We very much welcome the fact that the measures will also apply to the new RFID technology and we welcome the idea of a European Agency to coordinate the actions of national telecom regulators. However, we fail to see the benefits consumers will reap from reducing the scope of the universal service provisions to access to physical infrastructure only. We deeply regret that many important markets have been removed from the list of "relevant markets"; we fear that consumers will not be adequately protected in countries which do not have strong regulators. Concerning spamming, we would have liked a generalized "opt in" solution for all mails. Consumers need to be empowered to make the market work. We therefore ask to limit contractual lock-in in order to provide more flexibility when consumers want to change operators.



DOCUMENTS

- Letter to the President of the Commission on the Telecoms framework review (BEUC/X/065/2007)
- Comments on the 2006 Commission's Communication on the Review of the electronic communications regulatory framework (BEUC/X/064/2006)
- Comments on the EU regulatory framework for electronic communications and services (BEUC/X/003/2006)
- Comments on the public consultation of the digital divide forum report: broadband access and public support in under-served areas (BEUC/X/037/2005)



Trade Defence Instruments

BACKGROUND

After the high profile cases of Chinese textiles and Chinese shoes, the Commission launched a consultation on the role of European Trade Defence Instruments in a Global World in December 2006. BEUC has been an interested party in many trade defence instruments cases, given the potential impact of protective measures on prices, quality and the choice available to European consumers. By and large, consumers' interests are hardly taken into account.

OUR DEMANDS

BEUC has been criticising the use of trade defence instruments by the EU for many years and denouncing the negative consequences European consumers have to face as a result of these. For instance, the protection measures applied to clothes and shoes from China, even if only temporary, impose unjustified costs on consumers and will not in any way resolve the origin of the problem, i.e. a longstanding distrust and the failure of certain segments of the European textile industry to adapt to this competition. Any resulting price rise will hit the poorest consumers hard. These measures also do not help Chinese or African textile workers, nor can they resolve other problems such as product quality, environmental protection and working standards. We believe that the question of potential gains for consumers has not been given due attention. There is also a dire need for more thorough investigations and balanced analysis, based on solid and convincing evidence. There should be joint investigations of anti-competitive behaviour in foreign markets and testing of the effect of such measures on consumers and on competition in the markets. A Consumers Impact Assessment should be the rule, assessing the impact on consumers in terms of price level, quality, availability and choice. In these respects, the tone of the consultation document is very disappointing for consumers and self-defeating in a number of respects. We call for a thorough pro-competition and pro-consumers reform of the trade defence instruments regime.

DOCUMENTS

- Europe's Trade Defence Instruments in a changing global economy - BEUC answers to the Green Paper', (BEUC/X/022/2007)
- Safeguards on textiles originating in China - Comments (BEUC/X/019/2005)
- Anti-dumping investigations concerning imports of farmed salmon originating in Norway (AD 487) (BEUC/X/037/2004)





Consumer interest in competition policy



Cartels and abuses of dominant positions, not only create a financial loss for consumers, but may also limit consumers' choice and their ability to purchase quality products and services at fair prices, as well as their access to innovative products and services. Consumer welfare must be the central consideration in competition policy and consumer organisations should be better involved in competition proceedings. Consumers should also be empowered to seek redress and claim damages suffered as a result of anti-competitive behaviour.



a. Anti-trust - Private enforcement



BACKGROUND



In December 2005 the Commission published a Green Paper on damages actions for the breach of anti-trust rules. The Green Paper followed the publication of an EU-wide study in August 2004 revealing a number of obstacles preventing private parties (including consumers) damaged by anti-competitive practices from going to court to claim compensation. The study also showed great differences in legal and administrative procedures, practice and culture across EU Member States. In its Consumer Policy Strategy for the years 2007-2013, the Commission announced that it will propose the introduction of measures regarding collective redress in the field of consumer protection and competition. With regard to collective redress in the competition area, the Commission is expected to publish a White Paper in spring 2008.



OUR DEMANDS

BEUC supports the initiative to make it easier for European consumers to seek redress in case of anti-competitive agreements/cartels and abuse of dominant position. Individual consumers lack the knowledge/expertise needed for a successful suit and their individual loss is likely to be too small to justify the costs involved. It is therefore important to ensure that damages actions can be brought by one party (a consumer organisation for example) acting on behalf of a group of consumers or even on behalf of all consumers in a particular Member State. Any initiative to facilitate private enforcement should concentrate on making access to evidence easier for plaintiffs (consumers and consumer organisations). It is also important that there are adequate funding possibilities to cover the legal expenses. As consumers/consumer organisations are most likely to pursue damages actions based on an investigation and subsequent decision by a public competition authority, special attention must be paid to the relationship between public and private enforcement. It is therefore necessary to ensure better access to the files for consumers/consumer organisations, but also to enable them to become complainants.



DOCUMENTS

- Position on the Commission's Green Paper on damages action for breach of EC anti-trust rules (BEUC/X/026/2006)
- Private enforcement - The consumers' point of view (BEUC/X/040/2004)
- Comments on the Commission Communication on access to the file (BEUC/X/036/2004)



b. Anti-trust - Public enforcement

BACKGROUND

Under the Regulation on the modernisation of competition proceedings, which came into effect in May 2004, Member States bear more responsibility for enforcing EU rules on restrictive practices and abuse of dominant market positions. National competition authorities must now apply EU rules directly. The modernisation package also eliminates the possibility for companies to seek pre-approval of their planned agreements from the European Commission. This will hopefully lead to increased efficiency in scrutinising anti-competitive behaviour and free up the Commission's resources to concentrate on the cases that create the most damage.

OUR DEMANDS

Consumer organisations are particularly well-placed to help the European Commission and national competition authorities to combat anti-competitive behaviour. We fear that the current framework does not recognise this potential. The modernisation package seems to focus on encouraging companies involved in abusive practices to come forward with information, but there are no measures to involve European consumer organisations in the proceedings and help them to become potential complainants. Access to the status of complainant should not be barred by conditions that are impossible to meet (for example the provision of 'insider' information). A 'super-complaints' scheme dedicated to consumer organisations (which exists in the UK) should be considered at European level as well. Consumer organisations should be able to intervene in each case and be granted interested party status. Access to files and time limits should be adapted accordingly. Steps have to be taken to ensure that decentralisation does not lead to an inconsistent application of competition law across the EU and to battles over jurisdiction.

DOCUMENTS

- Position on the modernisation of competition proceedings (BEUC/X/054/2003)
- Comments on the Commission Communication on access to the file (BEUC/X/036/2004)





Block exemption for the automobile sector



BACKGROUND

The full implementation of the revised car block exemption regulation is effective since October 2005 with the end of the location clause. This means that a dealer can set up a branch wherever he likes in the internal market without authorisation of the car manufacturer. The London Economics Report released in June 2006 aimed at assessing developments in the car retailing and after-sales markets under the new regime before its review in 2008.



OUR DEMANDS

The practical impact of the new regime has so far been limited. Contrary to what the Commission and the car industry had claimed, there has been very little, if any, price convergence. The internal market remains fragmented and price differences remain substantial. We will monitor the review foreseen for 2008 carefully.



DOCUMENTS

- Comments on the Car Block Exemption implementation (London Economics Report) (BEUC/X/065/2006)
- The Automotive Regulatory Framework of the next 10 years - Comments (BEUC/X/015/2005)



Financial issues

Consumer credit

BACKGROUND

In October 2004 the Commission published an amended version of the proposal for a revision of the consumer credit Directive. In early 2005 the Commission decided to produce a new proposal for a Directive, which was published in October 2005. A political agreement was reached in Council in May 2007, the second reading in the Parliament started in September 2007 and the vote in plenary is expected in January 2008.

OUR DEMANDS

Although some progress has been made with the Council's political agreement, we still feel that the directive is too restricted in scope. A light regime (i.e. banks would have fewer obligations to provide information to consumers and/or lend in a "responsible" way) will apply to overdrafts, although many abuses have been reported in these areas. We are very concerned that the directive will have a very negative effect on the obligation on lenders in some Member States to consult the credit database of the borrower before granting a credit. The Annual Percentage Rate of Charge (APRC) would include all costs known to the lender at the time of proposing a loan, with the exception of notary costs. Whilst the APRC should give consumers a fair picture of what would be the impact of the loan on their financial situation, everything depends on how the provision is implemented and applied in practice. Consumers would enjoy a right of early repayment, and would only have to pay early repayment fees for fixed interest rates credit, if their early repayment fees fall above a threshold to be determined at national level (which will be no higher than 10,000 Euros). Since the directive has been so reduced in scope and due to the expected impact of maximum harmonisation on the level of consumer protection in at least some Member States, a number of improvements are still needed to make this directive useful for consumers.

DOCUMENTS

- Preliminary position on the amended Commission proposal on consumer credit (BEUC/X/050/2005)
- Brochure: Consumer credit - a fair deal for consumers? (BEUC/X/032/2003)
- Position on consumer credit (BEUC/X/050/2002)



Retail financial services

BACKGROUND

The Commission published its Green Paper on financial services policy (2005-2010) in May 2005, launching ideas to further integrate EU financial markets. In line with the White Paper that followed, an expert group on customer mobility in relation to banking accounts was set up and met for the first time in September 2006, to identify consumer problems when opening or switching bank accounts. In July 2006, the Commission presented the results of an inquiry into the EU retail banking sector, which aimed at identifying the nature of competition in this sector and at helping to decide upon specific enforcement initiatives. A Green Paper on Retail Financial Services was released in May 2007, highlighting the need to consider future initiatives to gradually achieve a common market, under the so-called "better regulation" approach, with thorough impact assessment and extensive consultation. Following this, as part of its Internal Market Review presented in November 2007, the Commission issued a working document on initiatives in the area of retail financial services aiming at the further integration of retail financial services markets, the improvement of consumers' financial literacy and of the possibility of switching bank accounts without a closing fee.

OUR DEMANDS

Integration of retail financial services markets could potentially benefit consumers as it would increase competition and bring down prices. Potential benefits to consumers will be undermined if integration jeopardises consumers' confidence. Often, consumers do not have the same technical knowledge as the financial service provider in this area. For key retail financial services such as mortgages, practices such as confusion marketing are common. We believe that consumers should receive impartial, high quality advice - the 'best possible advice'. Harmonization must not lead to a deterioration of the existing level of consumer protection. Mutual recognition and maximum harmonization are not the way forward on this. Getting comparable information regarding offers across the EU is a must for consumers. Local access to redress is also indispensable. Finally, consumers should not be discouraged from switching service providers because of high costs. We hope that all these aspects will be duly taken on board for consumers to potentially benefit from the integration of retail financial services markets. Impact assessments to evaluate the potential or effective economic benefits or harm to consumers must be part and parcel of 'better regulation', which does not necessarily imply 'less' or 'simpler' regulation.

DOCUMENTS

- Response to the Green Paper on retail financial services (BEUC/X/043/2007)
- Response to the retail banking sector inquiry - preliminary report II (BEUC/X/059/2006)
- Position on the financial services Action Plan Evaluation Part I: process and implementation (BEUC/X/001/2006)
- Position on the Green Paper on Financial Services Policy (2005-2010) (BEUC/X/030/2005)

Single Payment Area

BACKGROUND

From lack of information to exorbitant prices, from banks trying to avoid their obligations in the case of a card theft to excessive fees on cross-border transfers, we have all been confronted at least once with a problem with our payment provider. In November 2005, the Commission presented two measures for the Single Payment Area: a proposal for a Directive on payment services in the internal market and an incentives paper on how to complete the Single Payment Area. The proposal for a Directive on payment services went through the first reading of the codecision procedure and was finally adopted in October 2007.

OUR DEMANDS

We welcome the Directive on payment services as it aims at achieving reasonably cheap, but also secure and convenient, national and cross-border payments, and at making cross-border payments - by credit card, debit card, electronic bank transfer, etc. - as 'efficient' as national payments. The Single European Payment Area must deliver concrete overall benefits to consumers; otherwise it will not be worth the effort. The Directive should bring a number of improvements but much depends on how precisely it is implemented. For example, consumer confidence and wellbeing will be clearly affected by the provisions regarding burden of proof (who has to prove what?) and liability (who has to pay?) when payment means have been lost, stolen or misappropriated. The burden of proof when payments go wrong or when more than one institution is involved have been fixed under the directive. These and other provisions must be implemented in a "consumer friendly" manner. BEUC will be following closely the implementation at national level, as well as the impact of the Single Euro Payments Area (SEPA) on the current costs and level of efficiency of 'national' payment instruments, especially in the Euro zone.

DOCUMENTS

- Brochure: "Tell me what I'm paying - Comments on the Commission proposal for a Directive on payment services in the internal market" (BEUC/X/056/2006)
- Single Payment Area - Comments on the Commission's incentives paper (BEUC/X/025/2006)
- Position on payment services in the internal market (BEUC/X/007/2006)
- Position on the Commission's Communication on the new legal framework for payments in the internal market (BEUC/X/007/2004)
- Pan-European survey on charges for cross-border payments (BEUC/X/048/2003)







Mortgage credit



BACKGROUND



To enter into a mortgage credit contract is for most European consumers the single most important financial decision in their lives. The Green Paper on the Single Market in mortgage credit, issued by the Commission in July 2005, is the follow-up to the Mortgage Credit Forum's Report published on 13 December 2004. BEUC and our member organisations took an active part in the work of the Forum. A new dialogue dealing with information, advice, Annual Percentage Rate of Charge and early repayment fees ended in December 2006. The final report of this dialogue served as the basis for the Commission's White Paper on Mortgage Credit, which is expected before the end of 2007.



OUR DEMANDS

We welcome the willingness of the Commission to assess the need for regulatory intervention in the EU residential mortgage credit markets. We would expect this assessment to be conducted in a balanced and constructive manner, and for the potential negative impact on consumers' welfare at national level to be duly considered. Only when clear overall benefits to consumers are expected should action be considered.



DOCUMENTS

- Comments on the Report of the Mortgage Funding Experts Group (BEUC/X/008/2007)
- Comments on the Green paper on a Single Market in mortgage credit (BEUC/X/051/2005)



Application of the Lamfalussy Process to the insurance, banking and financial conglomerates sector

BACKGROUND

In December 2002 the Council decided to “streamline” the legislative process at EU level in the area of regulation of financial services. Two Committees, made up of Member State representatives, are to adapt and complete the framework legislation. The objective is to reduce the time necessary to adapt financial regulation to new market developments. Introduced initially for the securities sector, it was later extended to the banking and insurance sectors. The issue was also raised in the framework of the Green Paper on financial services policy (2005-2010) and the first part of the evaluation of the financial services Action Plan. A review of the process is scheduled for the second half of 2007 on the basis of a final report from the monitoring group and assessments by the Commission and the financial services committee.

OUR DEMANDS

BEUC commented on the extension of the Lamfalussy process to the banking, insurance and financial conglomerate sector in 2002. At the time we stressed the need for better consultation mechanisms and greater transparency. We were also of the opinion that the efficiency and speed claimed by the Lamfalussy process were questionable. The Commission's 2004 report on the application of the Lamfalussy process to legislation on securities markets acknowledged a certain number of negative experiences at implementation level. To date, most of our objections continue to apply and for the upcoming review it will be important to remedy these weaknesses. We underline the need to improve the involvement of stakeholders and of consumer organisations in particular. It is vital to develop specific ways of consulting the latter. The process, as it stands, allows a delegated authority to issue subsidiary legislation: this is law-making, which should not be done behind closed doors. We believe that the Lamfalussy process should not have been extended to sectors other than securities, unless and until measures are taken to address our concerns. We would be wary of the Lamfalussy process applying to retail financial services if it would call into question national discretionary powers as far as consumer protection provisions are concerned.

DOCUMENTS

- Position on the Green paper on Financial Services Policy (2005-2010) (BEUC/X/030/2005)
- Application of the Lamfalussy process to legislation on securities markets - Comments on the Commission's working document (BEUC/X/004/2005)
- Letter to the Internal Market DG/EC on financial services regulation and supervision and stability (BEUC/X/052/2002)





Financial intermediaries

BACKGROUND

Our members are reporting that increasing numbers of consumers are having problems with financial intermediaries. Financial intermediaries are now also found in the banking sector, especially in the field of consumer credit and mortgages. In its retail financial services Green Paper the Commission has suggested that initiatives be taken in the future in the field of financial intermediaries, with the launch of a study on credit intermediaries, and the review of the implementation of the Insurance Mediation Directive. In its Internal Market Strategy of November 2007, the Commission indicates that it will continue reviewing the credit intermediaries market with a view to assessing whether regulatory intervention is required.

OUR DEMANDS

We continue to urge the Commission to take action on this issue. Our arguments are based both on the complaints received by consumer organisations, and on an analysis of the differences in legislation governing this profession in EU member states.

DOCUMENT

- Recommendations on financial intermediaries (BEUC/X/006/2000)



Health issues

Health services

BACKGROUND

The Commission launched a consultation regarding EU action on health services in September 2006. It aimed at examining how to ensure legal certainty regarding cross-border healthcare and to support cooperation between the different Member States' health systems. In May 2007 the Parliament adopted an own-initiative report on the impact and consequences of the exclusion of health services from the Directive on services in the internal market. A legislative proposal for an EU framework on health services has been announced for the end of 2007.

OUR DEMANDS

There is a need for greater clarity and information on health services to ensure that consumers are protected and well informed when they seek healthcare in other Member States. BEUC very much supports the Parliament's calls for an EU charter on patient rights that could help raise the standards and serve as a guide to consumers of health services both when they are abroad and when they receive health care in their own country.

DOCUMENT

- Response to the Commission's consultation regarding community action on health services: "In search of health care?" (BEUC/X/006/2007)



Information to patients

BACKGROUND

More and more patients want to be involved and actively participate in decisions regarding their health. At the same time, health information has acquired greater significance with an increase in the range and number of sources of information. This has raised the question of the quality of this information. In 2001, the Commission's proposal to lift the existing ban and allow pharmaceutical companies to promote prescription medicines for asthma, diabetes and AIDS could have opened the door to Direct-To-Consumer Advertising (DTCA) in Europe. The ban was kept in place, but the Commission was asked to report back on current practices with regard to the provision of information to patients on medicines by mid 2007. This report was issued for consultation in April 2007. The Pharmaceutical Forum, a high-level political platform established in 2005 with the overall aim of improving the performance of the pharmaceutical industry also launched a consultation on health related information to patients. The Commission's final report on the provision of health related information to patients, as well as the strategy for pharmaceuticals will be presented at the end of 2007.

OUR DEMANDS

Consumers need access to high quality information about illnesses, medicines and treatment options. Information should be independent, accessible, accurate, appropriate, consistent, evidence based, updated, comparative and understandable. This information cannot come directly from those who produce medicines, i.e. the pharmaceutical companies. To make an informed choice, it is essential for consumers that a clear distinction between information and advertising disguised as information is made. BEUC is concerned that this distinction is at risk as the current ban on advertising of prescription medicines directly seems to be called into question. A policy on information to patients should be based on the rights of patients to information and not on the rights of pharmaceutical companies to market their products. Information needs are complex and highly individual: a "one-size-fits-all" approach cannot mitigate the different barriers European consumers face in accessing health information. The role of different partners in healthcare must take into account the specific character of each and the danger of conflicts of interest. Pharmaceutical companies' role in the production of good quality information should be limited to clear labelling and informative patients' leaflets.

DOCUMENTS

- Letter to Commissioners Verheugen and Kyprianou about the Pharmaceutical Forum (BEUC/X/061/2007)
- Joint statement "Information to patients; the way forward" (BEUC/X/060/2007)
- Position on the future of medicines in Europe (BEUC/X/059/2007)
- Response to the High Level Pharmaceutical Forum public consultation on health-related information to patients (BEUC/X/028/2007)
- Declaration on relevant health information for empowered citizens (BEUC/X/061/2006)
- A stronger European based pharmaceutical industry for the benefit of the patient - A call for action (BEUC/X/042/2003)

EU health strategy 2008-2013

BACKGROUND

In October 2007 the Commission presented its new health strategy.

OUR DEMANDS

BEUC welcomes the objectives foreseen in the public health programme 2007-2013 and calls for a clear, integrated, coherent and ambitious overall EU health strategy. We support the comprehensive approach to health adopted in the Commission's strategy which encompasses a broad range of EU policies including the internal market, agriculture, environment, education and social affairs, and provides for a systematic application of the health impact assessment tool. The health strategy's key targets of improving European citizens' overall health status and tackling health inequalities are essential. BEUC encourages concrete actions to meet citizens' health needs and enhance consumers' ability to make healthy lifestyle choices. Consumers/citizens/patients need access to reliable, independent and comparable information about health issues in order to promote good health.

DOCUMENTS

- Comments to the Commission's discussion document for a health strategy: "A coherent and patient centred health strategy" (BEUC/X/014/2007)
- Response to the Commission's reflection process "Enabling good health for all" (BEUC/X/067/2006)
- Position on the Community action programme in the field of health and consumer protection 2007-2013 (BEUC/X/040/2005)





- (AT) Arbeiterkammer
- (AT) Verein für Konsumenteninformation
- (BE) Test Achats – Test Aankoop
- (BG) Bulgarian National Consumers Association
- (CH) Fédération Romande des Consommateurs
- (CY) Cyprus Consumers' Association
- (CZ) Sdružení Obrany Spotřebitelů České Republiky
- (DE) Stiftung Warentest
- (DE) Verbraucherzentrale Bundesverband
- (DK) Forbrugerrådet
- (EE) Eesti Tarbijakaitse Liit
- (ES) Confederación de Consumidores y Usuarios
- (ES) Organización de Consumidores y Usuarios
- (FI) Suomen Kuluttajaliitto
- (FI) Kuluttajat-Konsumenterna ry
- (FI) Kuluttajavirasto
- (FR) Confédération de la Consommation, du Logement et du Cadre de Vie
- (FR) Organisation Générale des Consommateurs
- (FR) UFC – Que Choisir
- (GB) National Consumer Council
- (GB) Which?
- (GR) Ένωση Καταναλωτών η Ποιότητα της Ζωής – ΕΚΠΟΙΖΩ
- (GR) Γενική Ομοσπονδία Καταναλωτών Ελλάδος
- (GR) Κέντρο Προστασίας Καταναλωτών – ΚΕΠΚΑ
- (HU) Országos Fogyasztóvédelmi Egyesület
- (IE) Consumers' Association of Ireland
- (IS) Neytendasamtökin
- (IT) Altroconsumo
- (LU) Union Luxembourgeoise des Consommateurs
- (LV) Latvijas Patērētāju interešu aizstāvības asociāciju
- (MK) Organizacija na Potrosuvacite n Makedonija
- (MT) Għaqda Tal-Konsumaturi
- (NL) Consumentenbond
- (NO) Forbrukerrådet
- (PL) Federacja Konsumentów
- (PL) Stowarzyszenie Konsumentów Polskich
- (PT) Associação Portuguesa para a Defesa do Consumidor
- (RO) Asociația pentru Protecția Consumatorilor din România
- (SE) Sveriges Konsumenter
- (SI) Zveza Potrošnikov Slovenije
- (SK) Združenie Slovenských Spotrebiteľ'ov

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